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TITLE 6—AGRICULTURAL CREDIT

Chapter IV—Production and Marketing Administration and Commodity Credit Corporation, Department of Agriculture

Subchapter C—Loans, Purchases, and Other Operations

[1951 CCC Peanut Bulletin, 721 (Peanuts 1951)—1]

PART 646—PEANUTS

SUBPART—1951 CROP PEANUT PRICE SUPPORT PROGRAM

This bulletin states the terms and conditions of the 1951 Crop Peanut Price Support Program formulated by the Commodity Credit Corporation (hereinafter referred to as "CCC") and the Production and Marketing Administration (hereinafter referred to as "PMA"). It also contains terms and conditions under which excess oil peanuts will be purchased by CCC, which is the agency designated by the Secretary of Agriculture to receive excess peanuts pursuant to section 359 (g) of the Agricultural Adjustment Act of 1938, as amended.

GENERAL

- Sec.
646.301 Administration.
646.302 Areas and offices.
646.303 Availability.
646.304 Definitions.
646.305 Eligible producer.
646.306 Eligible sheller.
646.307 Determination of grade.
646.308 Set-offs.
646.309 Support prices.

1951 PEANUT PURCHASES

- 646.310 Purchases from producers.
646.311 Purchases from shellers.
646.312 Peanuts eligible for purchase.
646.313 Determination of quantity for purchase.
646.314 Settlement.

1951 SHELLER LOANS

- 646.315 Approved lending agencies.
646.316 Peanuts eligible for sheller loans.
646.317 Storage of peanuts under sheller loan.
646.318 Loan rates and approval.
646.319 Determination of quantity for sheller loan.
646.320 Loan and collateral documents.
646.321 Payment of interest.
646.322 Release of peanuts.
646.323 Assignment of loan to CCC.

1951 PRODUCER LOANS

- Sec.
646.324 Approved lending agencies.
646.325 Peanuts eligible for producer loan.
646.326 Approved farm storage.
646.327 Loan documents.
646.328 Loan rates.
646.329 Determination of quantity.
646.330 Service charges.
646.331 Interest rate.
646.332 Transfer of producer's equity.
646.333 Insurance.
646.334 Loss of or damage to peanuts.
646.335 Personal liability.
646.336 Maturity and satisfaction.
646.337 Removal and release of peanuts under loan.
646.338 Purchase of notes.

AUTHORITY: §§ 646.301 to 646.338, issued under sec. 4, 63 Stat. 1070, as amended; 15 U. S. C. Sup. 714b. Interpret or apply secs. 4, 5, 63 Stat. 1070, as amended, 1072, secs. 101, 401, 63 Stat. 1051, 1054, sec. 359, 45 Stat. 89, as amended by sec. 6, Pub. Law 471, 81st Cong., sec. 2, Pub. Law 17, 62d Cong.; 15 U. S. C. Sup. 714b, 714c, 7 U. S. C. Sup. 1441, 1421, 1359.

GENERAL

§ 646.301 *Administration.* The peanut price support program will be administered by and purchases of excess oil peanuts will be under the direction of the appropriate branches and commodity offices of PMA, under the general direction and supervision of the President, CCC. In the field the program will be administered as follows:

(a) Purchases of quota and excess oil peanuts will be made through peanut cooperative associations (hereinafter referred to as Associations) operating under the Peanut Price Support Program Designated Agency Contract, CCC Peanut Form 6 (1951), through local warehouseman (hereinafter referred to as Receiving Agencies) who enter into Receiving Agency Contracts, CCC Peanut Form 7 (1951), with Associations; and through shellers operating under Peanut Program Sheller Contracts, CCC Peanut Form 1 (1951), with CCC. Shellers who do not enter into 1951 Peanut Program Sheller Contracts may purchase excess oil peanuts for the account of CCC, if they are operating under the 1951 Excess Oil Contract With Shellers, CCC Peanut Form 1-A, which does not cover purchases of quota peanuts by the sheller.

(b) Producer loans will be administered through State and County PMA Committees (hereinafter referred to as

(Continued on p. 6333)

CONTENTS

	Page
Agriculture Department	
See Commodity Credit Corporation; Production and Marketing Administration.	
Alien Property, Office of	
Amendment to order of establishment (see Justice Department).	
Notices:	
Vesting orders, etc..	
Detto, Cornelia Pauline Hohne and Irene Johanna Hohne Forster	6336
Deutsches Kalisyndikat G. m. b. H.	6337
Dichler, Franz Xaver, et al.	6336
Dwars, Wilhelm	6333
Ellinghaus, Rita	6332
Europäische Tanklager und Transport A. G.	6333
Falck, Rudolf	6339
Fischer, Hans	6330
Fuchs, Renee	6336
Georgiades, Thrasymboulos G.	6330
Heine & Co. A. G.	6335
Jaeger, Emmy	6302
Kaerger, Ernst, et al.	6303
Kramer, Ernest	6303
Krausel, Paul	6333
Maas, F. W.	6303
Matthiesen, Thomas, et al.	6337
Nilsen, Berent	6304
Nordstern Allgemeine Versicherung A. G.	6302
N. V. Handelsmaatschappij Kong, Smith & Co. et al.	6301
Rodeker, Bernhardine Anna	6304
Renn, Emmy	6305
Ritz, Ottilie, et al.	6303
Schmitz, Hermann and I. G. Farbenindustrie A. G.	6305
Schwarz, Bertha	6306
Societe Auxiliaire d'Industrie SADI—S. P. R. L.	6306
Suomen Petrooli O/Y	6304
Von Hardenberg, Alice	6300
Civil Aeronautics Administration	
Rules and regulations:	
Airman agency certificates; rules, policies and interpretations.	6323
Civil Aeronautics Board	
See also Civil Aeronautics Administration.	
Notices:	
Accident occurring near Fort Collins, Colo., hearing.	6323



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CONTENTS—Continued

Coast Guard	Pago
Rules and regulations:	
Security check and clearance of Merchant Marine personnel; requirements for documents bearing security clearance endorsement.....	6868
Commerce Department	
See Civil Aeronautics Administration.	
Commodity Credit Corporation	
Rules and regulations:	
Peanuts; 1951 crop price support program (2 documents)	6851, 6857
Economic Stabilization Agency	
See Price Stabilization, Office of.	
Federal Communications Commission	
Notices:	
Television broadcast service; utilization of frequencies.....	6886
Federal Power Commission	
Notices:	
Hearings, etc.:	
El Paso Natural Gas Co.....	6888
Grand River-Erie Gas Transmission Co. et al.....	6888
Interstate Light and Power Co. (Wisconsin) and Wisconsin Power and Light Co. Manufacturers Light and Heat Co. et al.....	6888
North Penn Gas Co. and Crystal City Gas Co.....	6889
Federal Security Agency	
See Public Health Service.	
Fish and Wildlife Service	
Rules and regulations:	
Alaska commercial fisheries; total aggregate length of gill nets.....	6868
Housing Expediter, Office of	
Rules and regulations:	
Rent controlled; housing and rooms in rooming houses and other establishments in Maine.....	6866
Interior Department	
See Fish and Wildlife Service; National Park Service.	
Interstate Commerce Commission	
Proposed rule making:	
Class I motor carriers of property annual reports.....	6869
Justice Department	
See Alien Property, Office of.	
Notices:	
Office of Alien Property; amendment to order of establishment	6895
National Park Service	
Rules and regulations:	
National Capital Parks regulations; making false reports to U. S. Park Police.....	6868

CONTENTS—Continued

Post Office Department	Pago
Rules and regulations:	
Post offices in the Caroline, Marshall, and Mariana Islands; postage rates and conditions applicable to mail.....	6868
Postal service, international; Finland; correction.....	6868
Price Stabilization, Office of	
Rules and regulations:	
Ore, brown iron, produced in Georgia, adjustment of selling prices (GCPR, SR 41).....	6867
Production and Marketing Administration	
Proposed rule making:	
Beets, canned; U. S. Standards for grades.....	6870
Milk handling in Greater Boston, Mass., marketing area.....	6873
Rules and regulations:	
Peas, fresh, and cauliflower grown in Alamosa, Rio Grande, Conejos, Costilla and Saguache counties in Colorado; regulation by grades and sizes.....	6857
Public Health Service	
Notices:	
Organization and functions; redesignation hospitals.....	6889
Securities and Exchange Commission	
Notices:	
Hearings, etc.:	
Georgia Power Co.....	6892
Mission Oil Co. et al.....	6899
Mississippi Power Co.....	6893
Narragansett Electric Co.....	6893
Pittsburgh Stock Exchange; record disposal plan.....	6894
Southern Natural Gas Co.....	6894
Tariff Commission	
Notices:	
Nuts, edible tree; hearing.....	6895
Treasury Department	
See Coast Guard.	

CODIFICATION GUIDE

A numerical list of the parts of the Code of Federal Regulations affected by documents published in this issue. Proposed rules, as opposed to final actions, are identified as such.

Title 6	Pago
Chapter IV	
Part 646 (2 documents)	6851, 6857
Title 7	
Chapter I:	
Part 52 (proposed)	6870
Chapter IX:	
Part 904 (proposed)	6873
Part 910.....	6857
Title 14	
Chapter I:	
Part 50.....	6858
Title 24	
Chapter VIII:	
Part 825.....	6860
Title 32A	
Chapter III (OPS)	
GCPR, SR 41.....	6867

CODIFICATION GUIDE—Con.

Title 33	Page
Chapter I:	
Part 121.....	6868
Title 36	
Chapter I.	
Part 3.....	6868
Title 39	
Chapter I:	
Part 34.....	6868
Part 127.....	6868
Title 49	
Chapter I.	
Part 205 (proposed).....	6869
Title 50	
Chapter I:	
Part 109.....	6868

State and County Committees respectively) and PMA commodity offices; and (c) Sheller loans will be administered through PMA commodity offices.

§ 646.302 *Areas and offices.* The areas in which the program will be available and the Associations and PMA commodity offices serving such areas are as follows:

(a) The Virginia-Carolina area consisting of the States of Virginia, North Carolina, Tennessee, Missouri, and that part of South Carolina north and east of the Santee-Congaree-Broad Rivers.

Association: Growers Peanut Cooperative, Inc., Franklin, Va.

PMA Commodity Offices: PMA Commodity Office, U. S. Department of Agriculture, 50 Seventh Street NE, Atlanta 5, Ga.

PMA Commodity Office:² U. S. Department of Agriculture, Fidelity Building, 911 Walnut Street, Kansas City 6, Mo.

(b) The Southeastern area consisting of the States of Alabama, Florida, Georgia, Mississippi, that part of Louisiana east of the Mississippi River, and that part of South Carolina south and west of the Santee-Congaree-Broad Rivers.

Association: GFA Peanut Association, Camilla, Ga.

PMA Commodity Offices: PMA Commodity Office, U. S. Department of Agriculture, 50 Seventh Street NE, Atlanta 5, Ga.

PMA Commodity Office:² U. S. Department of Agriculture, 1114 Commerce Street, Dallas 2, Tex.

(c) The Southwestern area consisting of the States of Texas, Oklahoma, Arkansas, New Mexico, Arizona, California, and that part of Louisiana west of the Mississippi River.

Association: Southwestern Peanut Growers' Association, Gorman, Tex.

PMA Commodity Offices: PMA Commodity Office, U. S. Department of Agriculture, 1114 Commerce Street, Dallas 2, Tex.

PMA Commodity Office:³ U. S. Department of Agriculture, 335 Fell Street, San Francisco 2, Calif.

§ 646.303 *Availability*—(a) *Method of support.* CCC will support the price to eligible producers of the 1951 crop of quota peanuts through (1) contracts

with shellers, CCC Peanut Form 1 (1951), whereunder the sheller agrees to pay producers not less than the support price for eligible quota peanuts and to purchase for CCC's account the excess oil peanuts in any lot containing both quota and excess oil peanuts, (2) purchases of eligible quota peanuts from producers through receiving agencies (who will also purchase any excess oil peanuts in the lot), and (3) non-recourse loans to producers on eligible farm stored peanuts.

(b) *Time.* Purchases through CCC receiving agencies of quota and excess oil peanuts from producers will be made from August 1, 1951, through June 15, 1952. Purchases of farmers stock quota inventory from shellers operating under the 1951 Peanut Program Sheller Contract will be made from December 1, 1951, through April 30, 1952.

Producer loans maturing on or before June 1, 1952, will be available from August 1, 1951, through January 31, 1952. Properly executed notes and chattel mortgages must be delivered to the county committee on or before January 31, 1952.

Sheller loans maturing on or before August 31, 1952, will be available from August 1, 1951, through June 15, 1952.

§ 646.304 *Definitions.* As used in this subpart and in instructions, forms and documents in connection therewith, the words and phrases defined in this section shall have the meanings herein assigned to them unless the context or subject matter otherwise requires.

(a) *Pound net weight or pound net inweight* means that quantity of farmers stock peanuts, excluding foreign material and excess moisture, equal to one pound standard weight. The net weight or net inweight of any quantity of farmers stock peanuts shall be determined as follows:

(1) Deduct from the gross weight, the pounds of foreign material determined by multiplying the gross weight by the percentage of foreign material;

(2) Multiply the result obtained in subparagraph (1) of this paragraph by the percentage excess moisture;

(3) Subtract the result obtained in subparagraph (2) of this paragraph from that obtained in subparagraph (1) of this paragraph.

(b) *Excess moisture*, for the purpose of determining net weight or net inweight, means the percentage of moisture in excess of 7 percent in the Southeastern and Southwestern areas and in excess of 8 percent in the Virginia-Carolina area.

(c) *Marketing quota regulations* means the Marketing Quota Regulations for Peanuts of the 1951 Crop issued by the Secretary of Agriculture, including any amendments or supplements thereto (7 CFR §§ 729.210 to 729.227 and §§ 729.240 to 729.269).

(d) *Farmers stock peanuts* means picked and threshed peanuts which were produced in the continental United States during the calendar year 1951 and which have not been shelled, crushed, cleaned (except for removal of foreign material), or otherwise changed from

the state in which picked or threshed peanuts are marketed by producers.

(e) *Merchantable farmers stock peanuts* means farmers stock peanuts containing 15 percent or less foreign material, 7 percent or less damaged peanuts, and not more than 9 percent moisture in the Southeastern and Southwestern areas (or 10 percent moisture in the Virginia-Carolina area).

(f) *Lot* means the quantity of farmers stock peanuts marketed on one inspection and sales memorandum (Form MQ-34) executed pursuant to the marketing quota regulations.

(g) *Excess oil peanuts* means the peanuts purchased from the producer at oil value in any lot of merchantable farmers stock peanuts marketed on an excess oil marketing card (Form MQ-30). The quantity of excess oil peanuts shall be determined by multiplying the pounds net weight in such lot by the percent excess shown on the marketing card.

(h) *Quota peanuts* means (1) the entire lot of merchantable farmers stock peanuts marketed by the producer on a within quota marketing card MQ-76, or (2) the quota portion of a lot of merchantable farmers stock peanuts marketed on an excess oil marketing card, MQ-30, such portion to be determined by subtracting the quantity of excess oil peanuts from the total pounds net weight in the lot.

(i) *Farm allotment* means the farm peanut acreage allotment for the 1951 crop of peanuts established pursuant to the marketing quota regulations. In any case where a farm allotment is not established or is established at less than one acre, the farm peanut acreage shall be deemed to be in excess of the farm allotment only if it exceeds one acre.

(j) *Farm peanut acreage* means the 1951 farm peanut acreage determined in accordance with the marketing quota regulations, and, generally, refers to the total acreage of peanuts on the farm which are picked or threshed.

(k) *Farm permitted peanut acreage* means the picked or threshed acreage of peanuts on the farm in 1947, or in 1943 if no peanuts were picked or threshed from the farm in 1947, as determined by the county committee in accordance with the marketing quota regulations.

(l) *Marketing card:* (1) *Excess oil card* means MQ-30—Peanuts (1951) 1951 Peanut Excess Oil Marketing Card, providing the producer an option for marketing each lot of peanuts either by paying the marketing penalty or by delivering the excess peanuts to a designated agency at a price based on the value of such peanuts for crushing for oil.

(2) *Excess penalty card* means MQ-77—Peanuts (1951) 1951 Excess Peanut Penalty Marketing Card, requiring that a marketing penalty be paid in connection with the marketing of peanuts.

(3) *Within quota card* means MQ-76—Peanuts (1951), 1951 Peanut Within Quota Marketing Card, authorizing the marketing of peanuts without penalty and without requiring the delivery of any peanuts to a designated agency.

(m) *Operator* means the person who is in charge of the supervision and conduct

¹For producer loans in Missouri.

²For producer loans in Louisiana.

³For producer loans in Arizona and California.

of the farming operations on the entire farm.

(n) Producer means a person who, as owner, landlord, tenant, or sharecropper, is entitled to share in the peanuts produced on the farm or in the proceeds thereof.

(o) Designated agency means the Commodity Credit Corporation which has been designated by the Secretary of Agriculture as the agency to which excess oil peanuts may be delivered, and also means any sheller, crusher, warehouseman, or other person utilized by the Commodity Credit Corporation as its agent to receive, handle, and dispose of excess oil peanuts.

A list of buyers who have signed contracts to receive excess oil peanuts as an agent of Commodity Credit Corporation will be made available to farmers by the county committee.

§ 646.305 *Eligible producer* (a) A producer will be eligible for price support (1) with respect to all peanuts produced by him on the farm on which the farm peanut acreage does not exceed the farm allotment, and (2) with respect to quota peanuts produced by him on any farm on which the farm peanut acreage exceeds the farm allotment, but does not exceed the farm permitted peanut acreage, provided such quota peanuts are marketed in a lot from which the excess oil peanuts are delivered at oil value to a designated agency, or such quota peanuts are marketed on a within quota card issued after delivery at oil value to a designated agency of all excess oil peanuts produced on the farm.

(b) A producer will also be considered eligible for price support with respect to the quota peanuts produced on a farm for which a within quota card or excess oil card is issued to the operator upon the execution of MQ-92, "Agreement by Operator of Overplanted Farm," in which he agrees (1) that the farm peanut acreage will not be in excess of a specified acreage based on either the farm allotment or the farm permitted peanut acreage, and (2) if such undertaking is breached to pay liquidated damages to CCC, determined in accordance with the terms of such agreement, and any marketing penalties determined to be due the Secretary of Agriculture. The liquidated damages payable to CCC under such agreement may be waived to such extent as the President of CCC or his designated representative may determine appropriate in any case where he determines (1) that the breach of such agreement was unintentional and occurred despite a bona fide effort by the operator and other producers on the farm to comply with the agreement and (2) that the amount by which the farm peanut acreage exceeded the acreage specified in the agreement was so small, in relation to the acreage so specified, that it did not materially impair CCC's price support operations. All such agreements shall be deemed to include the foregoing waiver provision not withstanding the fact that no reference thereto is made in such agreements. Copies of Form MQ-92 may be obtained from the county committee. The county committee may decline to execute Form

MQ-92 in any case where it finds reasonable grounds to believe that such agreement will be used as a device to evade the requirements of this program or the collection of marketing penalty.

§ 646.306 *Eligible sheller* An eligible sheller shall be any person engaged in shelling peanuts who is operating under a 1951 Peanut Program Sheller Contract, CCC Peanut Form 1 (1951) CCC may decline to enter into a contract with any sheller who, in one or more previous years, did not fully perform his obligations under a CCC peanut program contract or did not fully comply with peanut marketing quota regulations or instructions issued thereunder.

§ 646.307 *Determination of grade.* The Federal-State Inspection Service shall determine the grade (i. e., percentages of sound mature kernels, damaged kernels, other kernels, foreign material, moisture, and extra large kernels in the case of Virginia-type peanuts) of:

(a) Farmers stock peanuts delivered to a Receiving Agency for purchase by CCC, such grade to be determined at the time of delivery.

(b) Farmers stock peanuts to be pledged as security for a sheller loan, such grade to be determined at the time the peanuts are purchased from the producer;

(c) Farmers stock peanuts to be mortgaged as security for a producer loan, such grade to be determined on the basis of a sample taken by the county committee before the loan is made; but the settlement value of the mortgaged peanuts delivered in satisfaction of the loan will be determined, on the basis of the grade determined at the time such peanuts are delivered;

(d) Each lot of farmers stock quota peanuts and each lot of farmers stock peanuts containing both quota and excess oil peanuts purchased by a sheller under the terms of the 1951 Peanut Program Sheller Contract, CCC Peanut Form 1 (1951) and each lot of excess oil peanuts purchased by a sheller under the 1951 Excess Oil Contract, CCC Peanut Form 1-A (1951) such grade to be determined at the time of the purchase from the producer; and

(e) Each lot of farmers stock peanuts purchased by CCC from shellers, such grade to be determined at the time of delivery to CCC.

The President, CCC, may waive any of the above grading requirements with respect to small lots of peanuts.

§ 646.308 *Set-offs.* (a) If a producer obtaining a farm storage loan or any person operating under a 1951 Peanut Program Contract is indebted to CCC on any accrued obligation, or if any installments past due or maturing within 12 months are unpaid on any loan made by CCC to the producer on farm-storage facilities, whether held by CCC or a lending agency, he must designate CCC or such lending agency as the payee of the proceeds of the loan or as payee of the amount due under the terms of the contract to the extent of such indebtedness, but not to exceed that portion of the proceeds remaining after deduction of amounts due prior

lienholders. If the producer is indebted to any other agency of the United States, and such indebtedness is listed on the county debt register, he must designate such agency as the payee of the proceeds as provided above. Indebtedness owing to CCC or to a lending agency as provided above shall be given first consideration after claims of prior lienholders.

(b) Shellers and Receiving Agencies purchasing peanuts from producers pursuant to contracts with CCC shall collect and remit any indebtedness of such producers to any agency of the United States, as shown on the marketing card on which such peanuts are marketed, in accordance with the terms of the contracts and instructions on such marketing card.

(c) Compliance with the provisions of this section shall not constitute a waiver of any right of the debtor to contest the justness of the indebtedness involved either by administrative appeal or by legal action.

§ 646.309 *Support prices.* The minimum support prices and producer loan rates for merchantable farmers stock peanuts are contained in § 646.341 (Supplement 1 to this bulletin). The basic support price and producer loan rate will be not less than \$230.56 per ton. Such prices and rates will be increased if the supply percentage and parity price level as of August 1, 1951, require an increase.

1951 PEANUT PURCHASES BY CCC

§ 646.310 *Purchases from producers.*

(a) Eligible farmers stock quota peanuts offered by eligible producers will be purchased at support prices by CCC through Receiving Agencies.

(b) Excess oil peanuts offered by eligible producers will be purchased by CCC through receiving agencies, shellers, and other designated agencies at the oil value thereof based on the price announced by CCC for the period in which such peanuts are purchased.

(c) Any lot of farmers stock peanuts marketed by an eligible producer on a within quota card or an excess oil card, which are not merchantable farmers stock peanuts only because they contain damage in excess of 7 percent, will be purchased by CCC (through receiving agencies, shellers or other designated agencies) at prices determined for excess oil peanuts.

§ 646.311 *Purchases from shellers.*

(a) CCC will purchase from shellers, merchantable farmers stock peanuts which are offered to CCC in accordance with the provisions of the 1951 Peanut Program Sheller Contract, CCC Peanut Form 1 (1951)

(b) Copies of the contracts may be obtained from the PMA Commodity Office for the area as shown in § 646.302.

§ 646.312 *Peanuts eligible for purchase.* (a) Merchantable farmers stock peanuts eligible for purchase by CCC at support prices must meet the following requirements:

(1) Such peanuts must be 1951 crop peanuts produced by an eligible producer,
(2) When purchased from producers, such peanuts must have been identified in accordance with the marketing quota regulations as quota peanuts.

(3) Such peanuts must be free and clear of all liens and encumbrances, including landlord's liens, or if liens or encumbrances exist on the peanuts, proper waivers must be obtained.

(4) Such peanuts must be offered for sale by a person who is the owner of the peanuts and who has a legal right to sell such peanuts.

(5) The beneficial interest in the peanuts must be in the person offering them for sale, and in the case of peanuts offered by a producer, must always have been in him or in him and a former producer whom he succeeded before the peanuts were harvested.

(b) Merchantable farmers stock peanuts eligible for purchase by CCC at their oil value must meet the following requirements:

(1) Such peanuts must be identified, in accordance with the marketing quota regulations, as excess oil peanuts marketed on an excess oil card.

(2) Such peanuts must meet the requirements of paragraph (a) (1) (3) (4) and (5) of this section.

(c) Farmers stock peanuts which are not merchantable only because they contain damage in excess of 7 percent are eligible for purchase at their oil value by CCC if they meet the following requirements:

(1) Such peanuts must meet the requirements of either paragraph (a) (2) of this section or paragraph (b) (1) of this section.

(2) Such peanuts must meet the requirements of paragraph (a) (1) (3), (4) and (5) of this section.

§ 646.313 Determination of quantity for purchase. The quantity of farmers stock peanuts shall be the pounds net weight of a lot as defined in § 646.304.

§ 646.314 Settlement. The producer will be paid for peanuts delivered to a Receiving Agency by a draft drawn on CCC. Shellers will submit claim for payment to and be paid through the office of the Association serving the area in which the Sheller is located.

1951 SHELLER LOANS

Note: Recourse loans will be available to shellers who are operating under the 1951 Peanut Program Sheller Contract, CCC Peanut Form 1 (1951). Copies of the CCC forms referred to in connection with Sheller loans may be obtained from the FMA Commodity Office serving the area.

§ 646.315 Approved lending agencies. An approved lending agency shall be any cooperative marketing association, corporation, partnership, individual or other legal entity with which CCC has entered into a 1951 Peanut Program Lending Agency Agreement on CCC Peanut Form 15 (1951) for the purpose of making loans to shellers.

§ 646.316 Peanuts eligible for sheller loans. Farmers stock peanuts which are eligible, in accordance with § 646.312 (a) for purchase by CCC are eligible as security for a sheller loan, if such peanuts were purchased from producers not more than 30 days prior to the date on which the Sheller files his Application for Advance CCC Peanut Form 17 (1951), with respect thereto.

§ 646.317 Storage of peanuts under sheller loan. Peanuts pledged as security for a loan must be stored separately by type by warehousemen approved in writing by CCC, and must be represented by warehouse receipts. Each warehouseman will be required to submit copies of his warehouse receipts, a properly certified current financial statement, a copy of the bond under which the warehouseman is operating, and such other information as CCC may request. Warehousemen desiring approval should communicate with the appropriate FMA Commodity Office.

§ 646.318 Loan rates and approval. Loans shall be made at the rate of \$10.00 per ton less than support prices shown in supplement 1 to this bulletin. Each lending agency shall communicate with the appropriate FMA Commodity Office to obtain approval of the maximum amount which may be loaned to each sheller.

§ 646.319 Determination of quantity for sheller loan. The quantity of peanuts pledged as security for a loan shall be the total pounds net weight as defined in § 646.304.

§ 646.320 Loan and collateral documents. (a) Loans shall be evidenced by promissory notes, CCC Peanut Form 16 (1951), Sheller Note, payable to CCC or the lending agency.

(b) In addition to the notes, the following documents will be required:

(1) Application for Advance, CCC Peanut Form 17 (1951)

(2) Warehouse receipts approved by CCC both as to warehouse arrangement and as to form of receipt.

(3) Inspection certificates issued by the Federal-State inspection service; or in lieu of such certificates, a certification as to such inspection on the warehouse receipts.

(4) Insurance covering peanuts under sheller loan is required for the benefit of CCC, in the amount of the loan plus \$10.00 per ton, against risk of loss or damage by fire, lightning, windstorm, tornado, sprinkler damage, and other risks normally insured against by the sheller. Premiums on such insurance must be paid by the sheller and the policies kept in force to the extent of the required insurance on peanuts at any time under loan.

§ 646.321 Payment of interest. Interest at the rate of 3 percent per annum is payable monthly to the lending agency or other holder of the note, or to the FMA Commodity Office in the case of loans made direct by CCC.

§ 646.322 Release of peanuts. The sheller may obtain the release of the warehouse receipts, representing the peanuts pledged as security for the loan by paying the principal amount loaned on such peanuts plus the accrued and unpaid interest thereon. Redemption of the peanuts represented by one or more of the several warehouse receipts covered by a note or application for advance will be permitted. In making repayments of loans made directly by CCC, the amount due, available at par in the city in which the FMA Commodity Office

is located, must be forwarded to that office with information identifying the collateral being redeemed.

§ 646.323 Assignment of loan to CCC. Lending agencies may assign the loan to CCC in whole or in part, but not less than the amount representing the Sheller loan value applicable to a single warehouse receipt. Such assignments must be made on the assignment form prescribed by CCC for use in connection with the lending agency agreement. Payments for the principal amount of the loan assigned to CCC will be made by drafts drawn on CCC through a designated Federal Reserve Bank or branch bank. Drafts shall be supported by the signed original of the assignment(s). The original loan and collateral documents relating to the loan indebtedness assigned to CCC shall be retained by the lending agency in trust for CCC, until such time as CCC requests delivery thereof.

1951 PRODUCER LOANS

Note: CCC will make non-recourse loans to eligible producers on eligible merchantable farmers stock peanuts stored in approved structures on or off the farm (provided no warehouse receipts are outstanding) in accordance with the following provisions. All producer loan documents referred to herein may be obtained from FMA county offices.

§ 646.324 Approved lending agencies. An approved lending agency shall be any bank, cooperative marketing association, corporation, partnership, individual, or other legal entity with which CCC has entered into a Lending Agency Agreement (Form FMA-97 or other form prescribed by CCC) or loan servicing agreement.

§ 646.325 Peanuts eligible for producer loan. Farmers stock peanuts which meet the eligibility requirements contained in § 646.312 (a) are eligible as security for a farm storage loan except that producer loans shall be limited to peanuts produced by an eligible producer on a farm on which the 1951 farm peanut acreage does not exceed the 1951 farm allotment.

§ 646.326 Approved farm storage. Approved farm storage will be structures located either on or off the farm (provided no warehouse receipts are outstanding) which the county committee determines to be of such construction as to afford safe storage for peanuts. The structure must be substantial, dry and well-ventilated. A producer who obtains a loan is obligated to maintain the storage structure in good repair and to keep the peanuts in good condition. No storage payment will be made.

§ 646.327 Loan documents. The approved forms consist of the Producer's Note, Commodity Loan Form A, and chattel mortgage, Commodity Loan Form AA, which, together with the provisions of this bulletin and any supplements or amendments thereto, govern the rights and responsibilities of the producer. State documentary revenue stamps must be affixed to notes and chattel mortgages where required by law. Loan documents executed by an administrator, executor, or trustee, will be ac-

ceptable only upon condition that they are legally valid.

§ 646.328 *Loan rates.* Producer loan rates are contained in § 646.341 (Supplement 1 to this bulletin)

§ 646.329 *Determination of quantity.* (a) Loans will be made on the basis of the total pounds net weight as defined in § 646.304 at the time the loan is made.

(b) The gross weight of the peanuts in storage shall be determined as follows:

(1) If the peanuts are stored in bags, the county committee will weigh a sufficient number of bags to determine the gross weight of all the peanuts to be placed under loan.

(2) If the peanuts are stored in bulk, the gross weight will be determined on the basis of the number of cubic feet of peanuts multiplied by the weight shown below for the type of peanuts.

Type:	Weight per cubic foot (pounds)
Spanish	20
Runner	19
Valencia	18
Virginia	18

§ 646.330 *Service charges.* The producer shall pay a service charge of \$3.00 or 30 cents a ton, or fraction thereof, whichever is greater, and an inspection charge of 50 cents per ton. The producer shall pay the \$3.00 minimum service charge prior to inspection of the storage structure. The balance of the service charge, if any, shall be collected from the proceeds of the loan. The inspection charge of 50 cents per ton shall be collected by the county committee for the account of the Federal-State Inspection Service by deduction from the proceeds of the loan. No refund of service or inspection charges will be made.

§ 646.331 *Interest rate.* Loans shall bear interest at the rate of 3 percent per annum, accrued from the date of disbursement of the loan.

§ 646.332 *Transfer of producer's equity.* The right of the producer to transfer either his right to redeem the peanuts under the loan or his remaining interest may be restricted by CCC.

§ 646.333 *Insurance.* CCC will not require the producer to insure the peanuts placed under loan; however, if the producer does insure such peanuts, and an indemnity is paid thereon, such indemnity shall inure to the benefit of CCC to the extent of its interest, after first satisfying the producer's equity in the peanuts involved in the loss.

§ 646.334 *Loss of or damage to peanuts.* The producer is responsible for any loss in grade and for any loss in weight in excess of a shrinkage allowance of 1 percent of the delivered gross weight; except that, subject to the provisions of § 646.333, physical loss or damage occurring without fault, negligence or conversion on the part of the producer or any other person having control of the storage structure, resulting solely from an external cause other than insect infestation or vermin, will be assumed by CCC to the extent of the settlement value, provided the producer has given

the county committee immediate notice of such loss or damage, and provided there has been no fraudulent representation made by the producer in the loan documents or in obtaining the loan.

§ 646.335 *Personal liability.* The making of any fraudulent representation by the producer in the loan documents, or in obtaining the loan, or the conversion or unlawful disposition of any portion of the peanuts by him shall render the producer subject to criminal prosecution under Federal law and render him personally liable for the amount of the loan (including interest) and for any resulting expense incurred by any holder of the note.

§ 646.336 *Maturity and satisfaction.* (a) Loans mature on demand but not later than June 1, 1952. The producer is required to pay off his loan on or before maturity, or to deliver the mortgaged peanuts in accordance with instructions of the county committee. The producer may, however, pay off his loan and redeem his peanuts at any time prior to delivery of the peanuts to CCC or removal of the peanuts by CCC. In the event the farm is sold or there is a change of tenancy, the peanuts may be delivered before the maturity date of the loan, upon prior approval by the county committee; or the peanuts may be delivered before the maturity date of the loan for other reasons upon prior approval of the President of CCC. If the producer fails to deliver mortgaged peanuts in accordance with instructions of the county committee, he will be responsible for all costs of removal by the holder of the note. When the peanuts are delivered, the producer is required to deliver the entire lot of peanuts stored in the structure with the mortgaged peanuts; and in determining the settlement value of the peanuts, credit will be given for the total quantity delivered.

(b) The settlement value shall be computed on the basis of the applicable support price specified in supplement 1 to this bulletin, based on the type, grade, and quality of the peanuts delivered. The quantity on which the settlement value will be determined shall be the net weight of the peanuts delivered plus an allowance of 1% of the delivered gross weight.

(c) If the settlement value of the peanuts delivered exceeds the amount due on the loan (excluding interest) by more than \$3.00, the amount of the excess will be paid to the producer on the basis of the settlement documents. To avoid administrative costs of making small payments, if the amount found due the producer in such settlement is \$3.00 or less, such amount will be paid only upon his request. Payments will be made by sight draft drawn on CCC by the State PMA office.

(d) If the settlement value of the peanuts delivered is less than the amount due on the loan (excluding interest) the amount of the deficiency, plus interest, shall be paid by the producer to CCC, or may be set off against any payment which would otherwise be due to the producer under any agricultural program administered by the Secretary of Agriculture, or any other payments

which are due or may become due to the producer from CCC or any other agency of the United States. To avoid administrative costs of handling small accounts, a deficiency of \$3.00 or less including interest, may be disregarded unless demand therefor is made by CCC upon the producer.

§ 646.337 *Removal and release of the peanuts under loan.* (a) *Removal of the peanuts under loan.* If the loan is not satisfied upon maturity by payment or delivery, the holder of the note may remove the peanuts and sell them either by separate contract or by pooling them with other lots of peanuts similarly held.

If the peanuts are pooled, the producer has no right of redemption after the date the pool is established, but shall share ratably in any overplus remaining upon liquidation of the pool. CCC shall have the right to treat the pooled peanuts as a reserve supply to be marketed under such sales policies as CCC determines will promote orderly marketing, protect the interests of producers and consumers and not unduly impair the market for the current crop of peanuts, even though part or all of the pooled peanuts are disposed of under such policies at prices less than the current domestic price of such peanuts. Any sum due the producer as a result of the sale of the peanuts or of insurance proceeds thereon, or any ratable share resulting from the liquidation of a pool, shall be payable only to the producer, without a right of assignment by him.

(b) *Release of the peanuts under loan.* A producer may at any time obtain release of peanuts remaining under loan by paying to the holder of the note, the principal amount thereof, plus charges and accrued interest. If the note is held by an out-of-town lending agency or by CCC, the producer may request that the note be forwarded to a local lending agency or to the county committee for collection. All charges in connection with the collection of the note shall be paid by the producer. Upon notice from the PMA Commodity Office or upon presentation of the paid note, the county committee shall arrange for the release of the chattel mortgage. Partial release of the peanuts prior to maturity may be arranged with the county committee by paying to the holder of the note the amount of the loan, plus charges and accrued interest, represented by the quantity of peanuts to be released.

§ 646.338 *Purchase of notes.* CCC will purchase, from approved lending agencies, notes evidencing approved loans which are secured by chattel mortgages. The purchase price to be paid by CCC will be the principal sums remaining due on such notes, plus an amount computed according to the lending agency agreement to cover interest. Lending agencies are required to submit Commodity Credit Corporation Form 500 or such other form as CCC may prescribe for all payments received on producers' notes held by them, and are required to remit to CCC a part of the interest collected, computed according to the lending agency agreement. Lending agencies shall submit notes and

reports to the PMA commodity office serving the area.

Issued this 12th day of July 1951.

[SEAL] JOHN H. DEAN,
Acting Vice-President,
Commodity Credit Corporation.

Approved:

HAROLD K. HILL,
Acting President,
Commodity Credit Corporation.

[F. R. Doc. 51-8183; Filed, July 17, 1951;
8:47 a. m.]

[1951 CCC Peanut Bulletin, 721 (Peanuts
51)-1, Supp. 1]

PART 646—PEANUTS

SUBPART—1951 CROP PEANUT PRICE
SUPPORT PROGRAM

§ 646.341 *Prices for net weight merchantable farmers stock peanuts delivered in bulk in Southeastern Peanut Area.* The following prices apply to net weight merchantable farmers stock peanuts eligible for Price Support pursuant to the terms of the CCC Peanut Program Bulletin 721 (Peanuts 51)-1 (§§ 646.301 to 646.338¹). The prices are for peanuts delivered in bulk in the Southeastern Peanut Area. In other areas the price is for peanuts delivered in bags and shall apply also to bulk deliveries accepted by the purchaser.

(a) *Base grade prices.* The base grade support prices for the various types and grades of peanuts shall be as follows:

	Per ton
Virginia type, 65 percent sound mature kernels	\$226.00
Runner type, 65 percent sound mature kernels	206.00
Southeastern Spanish, 70 percent sound mature kernels	229.00
Southwestern Spanish, 70 percent sound mature kernels	225.00

(b) *Premiums and discounts—(1) Sound mature kernels.* For each 1 percent sound mature kernel content above or below the base grade, the premium or discount, whichever is applicable, shall be as follows:

	Per ton
Virginia type	\$3.50
Runner type	3.20
Southeastern Spanish type	3.30
Southwestern Spanish type	3.20

(2) *Damaged kernels.* The discount for each full one percent damage in excess of 1 percent shall be as follows:

	Per ton
Virginia type	\$3.50
Runner type	3.20
Southeastern Spanish type	3.30
Southwestern Spanish type	3.20

(3) *Foreign material.* The discount for each full 1 percent foreign material in excess of 4 percent shall be \$1.00 per ton.

(4) *Extra large kernels.* For Virginia type peanuts the premium for each full 1 percent extra large kernels in excess of 15 percent shall be \$1.25 per ton.

(c) *Valencia type peanuts.* For Valencia type peanuts containing less than 25 percent discoloration and damage caused by cracked or broken shells, the support price shall be the same as the support price for Virginia type peanuts

of the same grade, except that no premium is applicable for extra large Valencia kernels. For other Valencia type peanuts the support price will be the same as the support price for Spanish peanuts of the same grade.

(d) *Definitions.* (1) The term "sound mature kernels" shall mean kernels which are free from damage as defined in the U. S. Standards for farmers stock: (i) white Spanish peanuts in the case of Spanish and Valencia peanuts and (ii) Runner and Virginia peanuts, respectively, in the case of Runner and Virginia peanuts; and which will not pass through a screen having (a) $1\frac{1}{4} \times \frac{3}{4}$ inch perforations in the case of Spanish peanuts and (b) $1\frac{3}{4} \times 1$ inch perforations in the case of Virginia peanuts, (c) $1\frac{3}{4} \times \frac{3}{4}$ inch perforations in the case of Runner and Valencia peanuts.

(2) "Extra large kernels" shall mean any shelled Virginia peanuts which are whole and which are free from noticeably discolored or damaged peanuts as defined in the U. S. Standards for Shelled Virginia peanuts (effective November 1, 1939) and which will not pass through a screen having $21.5/64 \times 1$ inch perforations.

(3) The applicable definitions and provisions in CCC Peanut Bulletin 721 (Peanuts 51)-1 and Marketing Quota Regulations for 1951 Crop 1026 (Peanuts 51)-1 and any amendment or supplement shall apply to this Exhibit A.

Notes: (a) Excess oil peanuts eligible for purchase by CCC or by shellers operating under the 1951 Peanut Program Sheller Contract or 1951 Excess Oil Sheller Contract will be purchased at their oil value on the date of purchase based on the price announced by CCC.

(b) Peanuts containing more than 15 percent foreign material, or more than 7 percent damaged kernels, or more than 9 percent moisture in the Southeastern and Southwestern Areas (10 percent in the Virginia-Carolina Area) are not eligible for price support.

(c) Peanuts containing more than 7 percent damage, but which are otherwise eligible for price support will be purchased by CCC at prices for excess oil peanuts.

(d) Any lot or load of peanuts which would otherwise be considered Virginia type but which contain less than 10 percent "Fancy" size (peanuts riding a $34/64 \times 3$ inch slotted screen) will be considered Runner type peanuts.

(e) The term "Southeastern Spanish" refers to Spanish type peanuts east of the Mississippi River, and the term "Southwestern Spanish" refers to Spanish type peanuts west of the Mississippi River.

(Sec. 4, 62 Stat. 1070, as amended; 15 U. S. C. Supp. 714b. Interprets or applies sec. 4, 6, 62 Stat. 1070, as amended, 1072, sec. 101, 401, 63 Stat. 1051, 1054, sec. 313, 65 Stat. 80, as amended by sec. 6, Pub. Law 471, 81st Cong., sec. 2, Pub. Law 17, 82d Cong.; 15 U. S. C. Supp. 714b, 714c, 7 U. S. C. Supp. 1441, 1421, 1359)

Issued this 12th day of July 1951.

[SEAL] JOHN H. DEAN,
Acting Vice-President,
Commodity Credit Corporation.

Approved:

HAROLD K. HILL,
Acting President,
Commodity Credit Corporation.

[F. R. Doc. 51-8184; Filed, July 17, 1951;
8:47 a. m.]

TITLE 7—AGRICULTURE

Chapter IX—Production and Marketing Administration (Marketing Agreements and Orders), Department of Agriculture

[Cauliflower Order 1-1951]

PART 910—FRESH PEAS AND CAULIFLOWER GROWN IN ALAMOSA, RIO GRANDE, CONEJOS, COSTILLA, AND SEGUACHE COUNTIES IN COLORADO

REGULATION BY GRADES AND SIZES

§ 910.315 *Cauliflower Order 1-1951—*

(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 10, as amended (7 CFR Part 910), regulating the handling of fresh peas and cauliflower grown in the Counties of Alamosa, Rio Grande, Conejos, Costilla, and Seguache in the State of Colorado, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended, and upon the basis of the recommendations of the Administrative Committee, established under the aforesaid amended marketing agreement and order, and upon other available information, it is hereby found that the grade and size limitations, as hereinafter provided, with respect to shipments of cauliflower, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule making procedure and postpone the effective date of this section until 30 days after publication thereof in the FEDERAL REGISTER (60 Stat. 237; 5 U. S. C. 1001, et seq.) in that, as hereinafter set forth, the time intervening between the date when information upon which this section is based became available and the time when it must become effective in order to effectuate the declared policy of the act is insufficient; a reasonable time is permitted under the circumstances, for preparation for such effective time; and good cause exists for making the provisions of this section effective as hereinafter set forth. A reasonable determination as to the supply of and the demand for such cauliflower must await the development of the crop; official estimates of the Department of Agriculture with respect to acreage and probable production were not published until July 10, 1951; however, these confirmed preliminary information available to the Administrative Committee before its recommendation was made; the supply and quality of cauliflower are subject to change by weather conditions; shipments of the current crop of cauliflower are expected to begin on or about July 20, 1951, and this section should be applicable to all shipments of such cauliflower in order to effectuate the declared policy of the act and thereby tend to maximize the benefits derivable therefrom; and compliance with the provisions of this section will not require any preparation therefor by handlers which cannot be completed by the effective date hereof.

(b) *Order.* (1) During the period beginning at 12:01 a. m., m. s. t., July 20, 1951, and ending at 12:01 a. m., m. s. t.,

¹ See F. R. Doc. 51-8183, *supra*.

October 21, 1951, no handler shall handle:

(i) Any cauliflower that does not grade U. S. No. 1,

(ii) Any cauliflower that is of a size smaller than four inches in diameter or larger than seven inches in diameter; *Provided*, That not more than 5 percent by count of the heads comprising the lot, may be of a size smaller than 4 inches in diameter, and not more than 15 percent, by count, of the heads comprising such lot, may be of a size larger than seven inches in diameter;

(iii) Any cauliflower that is not of fairly uniform size; or

(iv) Any cauliflower which, when well trimmed, packs fairly tight in a crate at least 11 but not more than 12 heads; *Provided*, That if such cauliflower is without jacket leaves, not less than 24 nor more than 32 heads will pack such crate fairly tight.

(2) As used in this section:

(i) The term "fairly uniform" means that the diameter of the largest head is not more than two and one-half inches greater than that of the smallest head;

(ii) The term "fairly tight" means that the cauliflower heads packed in the crate have no more than a slight movement in such crate, but not so much movement that there will be any injury to the heads under ordinary handling conditions, and will not be so loose as to permit the addition of another head;

(iii) The term "crate" means a crate having inside dimensions of 8½ inches by 17½ inches by 21½ inches;

(iv) The terms "U. S. No. 1," "full jacket leaves," "diameter," "well trimmed," "lot," and "size" shall each have the same meaning as when used in the United States standards for cauliflower (7 CFR 51.171) and

(v) The terms "cauliflower," "handler" and "handle" shall each have the same meaning as when used in the amended marketing agreement and order.

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. and Supp., 608c)

Done at Washington, D. C., this 13th day of July 1951.

[SEAL]

M: W BAKER,
Acting Director,

Fruit and Vegetable Branch.

[F. R. Doc. 51-8229; Filed, July 17, 1951;
8:52 a. m.]

TITLE 14—CIVIL AVIATION

Chapter I—Civil Aeronautics Board

Subchapter A—Civil Air Regulations

[Supplement 5]

PART 50—AIRMAN AGENCY CERTIFICATES

RULES, POLICIES AND INTERPRETATIONS OF CAA

The rules hereinafter prescribed were published on April 12, 1951, in 16 F. R. 3232-3237. Interested persons were afforded an opportunity to submit data, views, or arguments, and consideration has been given to all relevant matter presented. All sections of Part 50 which are implemented by these rules, policies

and interpretations are repeated in this supplement for the guidance of the public. The following rules, policies and interpretations, which supersede all those previously promulgated by the Administrator as rules, policies and interpretations of Part 50, are hereby adopted:

CERTIFICATE

CAR 50.1 Issuance. An airman agency certificate will be issued to an applicant who complies with the minimum requirements for one or more school ratings.

§ 50.1-1 Issuance (CAA policies which apply to § 50.1) Application for the issuance of an airman agency certificate will be made upon Form ACA-387, Application for Airman Agency Certificate and Rating, and Inspection Report, prescribed by the Administrator, obtainable at the local CAA Aviation Safety District Office. When completed, the form will be submitted to the local Aviation Safety Agent who will make the necessary inspection.

CAR 50.2 School ratings. (a) Basic ground school.

- (b) Advanced ground school.
- (c) Primary flying school.
- (1) Airplanes.
- (2) Helicopters.
- (3) Gliders.
- (d) Commercial flying school.
- (1) Airplanes.
- (2) Helicopters.
- (3) Gliders.
- (e) Instrument flying school.
- (1) Flight instructor school.

§ 50.2-1 School ratings (CAA policies which apply to § 50.2) Under existing regulations governing school ratings, the Administrator may approve only those courses wherein a student pursues a given curriculum leading to private, commercial, instrument, or flight instructor pilot ratings. The Civil Air Regulations do not provide for approval of curriculums leading to category, class, and type ratings only.

REQUIREMENTS

CAR 50.10 Ground school requirements. (a) Classrooms adequately heated and lighted, of sufficient size to accommodate the greatest number of students scheduled for attendance at any one time.

(b) Sufficient classroom equipment to insure adequate instruction in all required subjects.

(c) At least one regularly available principal instructor possessed of a ground instructor certificate with ratings for each of the required subjects of the curriculum.

§ 50.10-1 Classrooms (CAA interpretations which apply to § 50.10 (a)) The applicant must provide a space of permanent nature properly heated, lighted, and ventilated. Ample separate space must be provided for classrooms and equipment, sufficient to accommodate the largest number of students scheduled for attendance at any one time. If more than one classroom is provided, at least one of them must accommodate a minimum of 20 students. Each student must be provided with a desk-chair or chair and desk suitable for writing examinations. Classrooms must be maintained in neat, clean, and renovated conditions, and must be lighted with illumination of sufficient intensity to promote study without eye-

strain. A blackboard large enough for explanation by means of diagrams must be provided.

§ 50.10-2 Equipment (CAA interpretations which apply to § 50.10 (b))—

(a) *Basic classroom equipment.* Basic classroom equipment must consist of sufficient texts and related reading material to cover Civil Air Regulations, meteorology, aerial navigation, radio, general service of aircraft and pertinent operational data.

(b) *Advanced ground school equipment.* Advanced ground school equipment must consist of the following in addition to the equipment required for a basic ground school:

(1) Two wing panels, each of a different construction.

(2) Two different makes of aircraft engines, one of which may be liquid cooled. One should be cut down to show engine construction and operation.

(3) Sufficient material to instruct in the theory and use of modern high-powered aircraft components. This should include, either in model or blue print diagram form:

Controllable pitch propellers, electric and hydraulic.

Flaps.

Retractable landing gear.

Manifold pressure gauge.

Superchargers.

Cowl flaps.

Oil temperature control.

Instruments (dual tachometer, dual manifold pressure gauge, temperature-pressure group, gyro horizon, gyro compass, turn and bank indicator, rate of climb indicator, radio compass, and automatic pilot).

Deicing equipment.

Electrical systems, including generators, voltage regulators, aviation batteries, fuses, and circuit breakers.

Accessories, including fuel pumps, oil pumps, magnetos.

§ 50.10-3 Instructors (CAA interpretations which apply to § 50.10 (c)) All instruction must be supervised by a certificated ground school instructor who holds ratings appropriate to the courses given. Instruction administered by uncertificated personnel must be directly supervised by a principal instructor who holds a ground instructor certificate with ratings covering all subjects offered in the school curriculum.

CAR 50.11 Ground school curriculum. A ground school curriculum approved by the Administrator for at least one of the following:

(a) *Basic ground school.* 50 hours of classroom instruction in the subjects of Civil Air Regulations (the regulations in this subchapter), including air traffic control practices and procedures, navigation, meteorology, and general servicing of aircraft.

(b) *Advance ground school.* 150 hours of instruction in the subjects of Civil Air Regulations, including air traffic control practices and procedures, navigation, meteorology, aircraft and engines, including the general servicing and maintenance of aircraft and engines.

§ 50.11-1 Basic ground school curriculum. (CAA rules which apply to § 50.11 (a)) The applicant shall provide a basic ground instruction curriculum which is satisfactory to the Administrator. The minimum acceptable curriculum shall include not less than 50 hours of instruction in the subjects listed

below, followed by examination on each subject.

(a) *Civil Air Regulations.* At least 5 classroom hours of instruction to include:

- Part 1: Certification, Identification, and Marking of Aircraft and Related Products.
- Part 20: Pilot Certificates.
- Part 43: General Operation Rules.
- Part 60: Air Traffic Rules, including air traffic control practices and procedures.
- Part 62: Notice and Reports of Aircraft Accidents and Missing Aircraft.

(b) *Meteorology.* At least 15 classroom hours of instruction to include:

- Recognition of weather, icing, fog, and frontal conditions.
- General cloud formations.
- Study of weather maps, teletype sequences, and elementary weather forecasting.
- Pressure areas, including motion of air masses, isobars, and winds aloft.
- Humidity and its relation to visibility.
- Temperature-dew point relationship and precipitation.
- How to use knowledge of meteorology in private flying in promoting safety.
- U. S. Weather Bureau facilities and weather assistance service.

(c) *Aerial navigation.* At least 15 classroom hours of instruction to include:

- Study of aeronautical charts, including explanation of how charts are made, with emphasis on the Lambert conformal projection.
- The navigational methods, including piloting, dead reckoning, and radio.
- Navigational instruments: Types, errors, and practical usage.
- Practical navigation problems: Dead reckoning, piloting, ETA's, flight plans, wind-triangle solutions using a simple computer, and maximum endurance problems.
- Use of CAA publications (Airman's Guide, etc.).

(d) *Radio.* At least five classroom hours of instruction to include:

- Explanation of radio aids to flight.
- Use of simple receiver and transmitter, including tuning and voice procedure.
- CAA communication facilities and flight assistance service, including search and rescue procedures.
- International code: Memorizing of code, sufficient to provide ready recognition of radio range identification signals.
- Use of loop antenna in homing on broadcast and other stations.
- Distress signals and visual signals (on parking line).

(e) *General service of aircraft.* At least 10 classroom hours of instruction to include:

- Care of aircraft: Line inspection, procedures, and general safety precautions.
- Care of engines: Octane ratings, detonation, warming up and idling precautions, full throttle operations, and icing.
- Operations limitations: Performance characteristics as affected by full load, altitude, and temperature conditions. Reason for placard limits, acceleration limits, air-speed limitations in rough air, and other restrictions in the interest of safety.
- Inspections required.
- Use of aircraft instruments and errors inherent in them.
- Use and care of parachutes.
- Use of logbooks.
- Explanation of major and minor repairs.
- Explanation of aircraft operation record.

§ 50.11-2 *Advanced ground school curriculum* (CAA rules which apply to No. 138—2

§ 50.11(b)). The applicant shall provide an advanced ground instruction curriculum which is satisfactory to the Administrator. The minimum acceptable curriculum shall include not less than 150 hours of instruction in the subjects listed below, followed by examination on each subject. Students who have successfully completed an approved basic ground school course may be given appropriate credit when applying for the advanced ground school course. The determination of credit for previous ground school work is left to the discretion of the airman agency, with the understanding that a graduate shall have completed all course requirements.

(a) *Civil Air Regulations.* At least 15 classroom hours of instruction to include:

- Part 1: Certification, Identification, and Marking on Aircraft and Related Products.
- Part 20: Pilot Certificates.
- Part 43: General Operation Rules.
- Part 60: Air Traffic Rules, including air traffic control practices and procedures.
- Part 62: Notice and Reports of Aircraft Accidents and Missing Aircraft.

(b) *Meteorology.* At least 35 classroom hours of instruction to include:

- General cloud formations.
- Pressure areas, including motion of air masses, isobars, and winds aloft.
- Humidity and its relation to visibility.
- Temperature-dew point relationship and precipitation.
- Recognition of weather masses, icing, fog and frontal conditions as to reasonably forecast the weather accompanying these masses.
- How to use knowledge of meteorology in flying to promote safety.
- Study of weather maps, teletype sequences, and coded weather data sufficient to permit ready interpretation of all symbols used.
- U. S. Weather Bureau facilities and weather assistance service.
- Weather map analysis, including pressure areas and fronts.

(c) *Aerial navigation.* At least 35 classroom hours of instruction to include:

- Study of aeronautical charts, including explanation of how charts are made, with emphasis on the Lambert conformal projection.
- The study and use of all forms of navigational methods, with emphasis placed on piloting, dead reckoning, and the use of radio.
- Study, use, and limitations of all types of navigational instruments, navigational aids, and the daily use of CAA publications (Airman's Guide and Flight Information Manual).
- All types of practical navigational problems, including radius of action to an alternate airport and maximum endurance under economy conditions, as well as the precision planning of a flight, the filing of a flight plan that allows for a climb to altitude and descent therefrom, check and reporting points, alternate airports, the use of radio compass and direction finder equipment and radio ranges, sectional and world aeronautical charts.

(d) *Radio.* At least 15 classroom hours of instruction to include:

- Explanation of radio aids to flight.
- Types, usage, and limitation of radio receivers and transmitters, the effects of proper and improper tuning, frequency control, static and night effects, as well as antennae and microphone techniques.
- The use and limitations of all types of radio aids to air navigation, including very

high frequency and omni-directional facilities.

Sufficient study in International code to allow ready recognition of radio range identification signals.

Use of loop antenna in homing on broadcast and other stations.

The coding and use of aeronautical lights, true lights, and distress signals.

The detailed explanation and use of airways traffic control, approach control, and airport traffic control.

(e) *Aircraft engines.* At least 20 classroom hours of instruction to include:

- Principles of the internal combustion engine.
- Fuels: Octane rating and detonation.
- Construction and design: Metals, tolerances, compression ratios, and horsepower.
- Classification and construction of engine components.
- Lubrication and cooling systems.
- Carburetion and ignition.
- Propellers: Fixed, adjustable, controllable, constant speed, and full-feathering.
- Disassembly.
- Inspection and maintenance.
- Overhaul, repair, timing, and assembly.
- Trouble shooting.
- Logbooks and other records.
- Practices: Precautions in the operation of engines, such as starting, warm-up, idling, testing, and full-throttle operation.

(f) *Aircraft.* At least 20 classroom hours of instruction to include:

- Aerodynamics and theory of flight.
- Factors of aircraft design, construction, and rigging.
- Aircraft operation placard: Necessity for limitations as to speed, load factors, rough air, gross load, and center of gravity limits; how to determine safe loadings, with C. G. limits.
- Aircraft construction and materials used.
- Repair and maintenance.
- Airplane operations manual.
- Logbooks and records.
- Aircraft accessories.

The remaining 10 hours of the required 150 hours prescribed for the advanced ground school course to be utilized by the operator in accordance with the individual student's need.

CAA 50.12 *Flying school requirements.*

(a) An airport adequate for the aircraft to be used and safe for the flight instruction to be given.

(b) Adequate hangar facilities housing all aircraft used for flight instruction.

(c) Adequate office, rest room, and ready room facilities.

(d) A sufficient number of certificated aircraft appropriate for the flight instruction to be given.

(e) Adequate shop, or readily available facilities suitable to insure proper maintenance of the aircraft to be used.

(f) A sufficient number of certificated mechanics readily available to provide for the inspection, maintenance, and repair of all aircraft used for flight instruction, unless other arrangements are approved by the Administrator.

(g) A sufficient number of regularly available and appropriately rated flight instructors.

§ 50.12-1 *Airport requirements for approved flying schools* (CAA interpretations which apply to § 50.12 (a))—(a) *Airports.* A minimum effective runway length of 1,500 feet at sea level, plus 7 percent increase in length for each 1,000 feet of elevation above sea level must be provided. The minimum width of the landing area must be 200 feet. All

landing strips must be located and oriented so as to permit take-offs and landings to be accomplished 95 percent of the time with cross-wind components of less than 15 miles per hour. The minimum allowable approach angles must permit a twenty-to-one glide path to the ends of the minimum allowable length of the landing strips. Runway grade changes should be such that there will be an unobstructed line of sight from any point 5 feet above the runway to any other point also 5 feet above the runway within a distance of at least 500 feet plus one-half the length of the runway. Where night flying is required in the curriculum, lighting facilities must be furnished in accordance with Appendix D.¹ An approved glider school must meet these landing area requirements.

(1) An approved flying school applicant using only airplanes equipped with cross-wind landing gear need not comply with the cross-wind component portion of the airport requirements.

(2) Auxiliary landing fields may be used in conjunction with approved school operations, provided the landing area meets the requirements of § 50.12-1 (a) of the rules, policies and interpretations of the Civil Aeronautics Administrator.

(b) *Seadromes.* A minimum effective length of 3,500 feet at sea level, plus 7 percent increase in length for each 1,000 feet of altitude above sea level. The minimum effective width of the landing area must be 300 feet. The water within the landing area must be not less than 3 feet in depth. The approach angles at the end of each landing area must permit a twenty-to-one glide path to the ends of the minimum allowable length of the landing area.

(c) *Heliports.* The minimum allowable length for a heliport must be 600 feet of effective surface. The minimum allowable width must be 200 feet, exclusive of building area. Landing strips must be so located as to allow into-the-wind approaches and take-offs at least 50 percent of the time with a cross-wind component of less than 15 miles per hour. The landing approach clearance angles must be at least ten-to-one in the magnetic direction and reciprocal of the prevailing wind. The entire area must have an approach angle obstruction clearance of at least five-to-one.

In cases where these standards are not fully met, the matter may, if the interests of safety are served, be referred to the CAA Regional Administrator for final consideration.

§ 50.12-2 *Hangar facilities (CAA interpretations which apply to § 50.12 (b))* The applicant must provide a hangar or hangars of permanent construction adequate to house all flight equipment to be used in approved training. Training aircraft are to be continually housed therein, except during periods of operation. This building must meet all local building and safety codes, and be possessed of a sound roof, sides, and doors. The hangar floor must consist of material such as wood, asphalt, concrete,

brick, tile or any other surface that permits adequate daily cleaning and will not deteriorate rapidly.

¶ If training aircraft remain overnight at auxiliary fields used by the school, hangar facilities must be provided.

§ 50.12-3 *Office, rest room, ready room facilities (CAA interpretations which apply to § 50.12 (c))* The office, rest room, and ready room facilities must be continually maintained in a clean and orderly condition.

(a) *Office.* Applicant must provide suitable space of a permanent nature, properly heated, lighted, and ventilated, to house adequately equipment necessary to the proper conduct of business matters and the preparation of records appropriate to the flight operation. (This equipment should include chairs, desks, filing cabinets, and typewriters.)

(b) *Rest room.* The rest room must be conveniently located to the student's ready room and meet the local sanitary code for such facilities. Rest room facilities must be provided at auxiliary fields when instruction periods are originated and terminated there.

(c) *Ready room.* A separate space of a permanent nature heated, lighted, and ventilated, must be provided to accommodate flight students waiting to receive flight instruction. This space must be provided with chairs, clothes racks or lockers, bulletin boards, and appropriate aeronautical charts. Ready room facilities must be provided at auxiliary fields when instruction periods are originated and terminated there.

§ 50.12-4 *Required flight equipment. (CAA interpretations which apply to § 50.12 (d))* All aircraft used for flight instruction of students enrolled in an approved airman agency must be properly certificated and registered in the name of the applicant or operated under lease, the terms of which must be satisfactory to the Administrator. Each aircraft must be continuously maintained in a safe and airworthy condition.

(a) *Primary flying school—(1) Airplane rating.* At least one airplane must be provided for each 15 students regularly enrolled as certificated flying school students. Such airplane must be capable of carrying two persons and two parachutes without exceeding the gross weight limitations set forth in the Aircraft Operation Record, and must be suitable to perform the maneuvers necessary to accomplish the flight test prescribed for a private pilot certificate.

(2) *Helicopter rating.* At least one helicopter must be provided for each 15 students enrolled under the terms of the airman agency certificate. Each helicopter must be capable of carrying at least a student, instructor, and full fuel tanks without exceeding the center of gravity or gross weight limitations. Ownership and lease arrangements, as well as the maintenance of the airworthiness condition requirements and flotation gear requirements when operated over water, must conform to those specified for an approved primary flying school (airplane). Sufficient ballast must be provided and utilized to insure proper weight and balance condition during student solo flight practice.

(3) *Glider rating.* At least one 2-place glider must be provided for each 15 students enrolled under the terms of the airman agency certificate. Each glider must be capable of carrying at least 2 persons and 2 parachutes without exceeding the gross weight or center of gravity limitations. All tow planes to be used must be certificated with towing arrangements installed and proper authority for use obtained for the operation of the glider-tow plane combination.

(b) *Commercial flying school—(1) Airplane rating.* All airplanes provided by an applicant for a commercial flying school rating must be in excess of 50 horsepower. Airplanes with both tandem and side-by-side seating arrangements must be provided. (Training in single-place airplanes may be permitted in the commercial flight curriculum only.) The airplanes required may be owned or registered in the name of the applicant or under lease, the terms of which must be satisfactory to the Administrator.

At least one of the airplanes provided for instruction must be equipped with wing flaps, two-way radio, controllable propeller, and a manifold pressure gauge. At least one airplane must be provided which is properly equipped for visual night flying as set forth in § 43.30 (b) of this chapter.

(2) *Helicopter rating.* In addition to the helicopter requirements for a primary flying school rating, an applicant for a commercial flying school rating (helicopter) must provide a helicopter capable of carrying at least a student, instructor, and full fuel tanks without exceeding the center of gravity or gross weight limitations, and be equipped for night flying as set forth in § 43.30 (b) of this chapter. Ownership and lease arrangements, as well as the maintenance of the airworthiness condition requirements and flotation gear requirements when operated over water, must conform to those specified for an approved commercial flying school (airplane). Sufficient ballast must be provided and utilized to insure proper weight and balance condition during student solo flight practice.

(3) *Glider rating.* At least one 2-place glider must be provided for each 15 students enrolled under the terms of the airman agency certificate. Each glider must be capable of carrying at least 2 persons and 2 parachutes without exceeding the gross weight or center of gravity limitations. All tow planes to be used must be certificated with towing arrangements installed and proper authority for use obtained for the operation of the glider-tow plane combination.

(c) *Instrument flying school.* At least one aircraft must be provided for each 15 students enrolled under the terms of the airman agency certificate. Each aircraft used for instrument flight instruction must be equipped for instrument flight in accordance with § 43.30 (c) of this chapter. Such aircraft must be equipped with a suitable hood which will completely exclude all outside visual reference to the pilot on instruments yet not restrict the vision of the safety pilot or observer. Further, the aircraft, with

¹Not filed with the Federal Register Division.

necessary crew, parachutes, fuel, and oil aboard, must be capable of maintaining a climb of 300 feet per minute at 2,000 feet above ground elevation and must permit accomplishment of all maneuvers listed in § 20.42 (c) of this chapter.

(d) *Flight instructor school.* At least one aircraft must be provided for each 15 students enrolled under the terms of the airman agency certificate. All aircraft provided by an applicant for a flight instructor school rating must be in excess of 50 horsepower and must be suitable to perform the maneuvers as prescribed for the flight instructor rating test. Aircraft used must be equipped with suitable interphone or cockpit communication system.

(e) *Parachutes.* The applicant must have available at least 2 parachutes manufactured under a valid type certificate and maintained in accordance with the Civil Air Regulations. Sufficient additional such parachutes must be furnished to prevent undue delay in the normal progress of all students undergoing flight training.

§ 50.12-5 *Maintenance and repair facilities (CAA interpretations which apply to § 50.12 (e)).* A suitable space, properly heated and lighted, completely isolated or separated from the storage hangar, preferably by fire-resistant walls, must be provided to conduct all necessary periodic inspections, repairs, and other maintenance functions. Sufficient tools, mechanical devices, and appropriate aircraft and engine manufacturers' manuals, must be provided to adequately perform all maintenance operations. In the event the shop space cannot accommodate the assembled aircraft, space may be provided in the storage hangar for the conduct of periodic inspection, if such space is adequately heated and lighted and the aircraft may be completely isolated therein while undergoing such inspection. Maintenance and repair facilities may be provided by contractual agreement. Under this provision it will be the responsibility of the airman agency to insure that all periodic inspections, major repairs, and overhauls are accomplished by the maintenance contractor. Exceptions to this will be permitted only when the aircraft require repairs while away from the home base or when maintenance or repairs involve technical operations which the contractor is not equipped to handle; example, radio and instrument repairs. The services, facilities, location, and any changes in the maintenance contract must be acceptable to the Administrator.

§ 50.12-6 *Maintenance personnel (CAA interpretations which apply to § 50.12 (f)).* Applicant must have sufficient certificated personnel, either regularly employed or under contract, to maintain aircraft used for flight instruction in full airworthy condition at all times. Not more than 5 uncertificated personnel may be under the supervision of one aircraft and engine mechanic at any one time.

§ 50.12-7 *Flight personnel (CAA interpretations which apply to § 50.12 (g)).* (a) Each person giving, or employed to give, flight instruction must possess a

valid pilot certificate, with commercial, flight instructor, and pertinent category and class ratings.

(1) A flight instructor in an instrument flying school must possess a valid pilot certificate with commercial, instrument, and pertinent category and class ratings.

CAR 50.13 *Flying school curriculum.* A curriculum approved by the Administrator for at least one of the following:

(a) *Primary flying school.* (1) Airplanes—35 hours of flight time,

(2) Helicopters—35 hours of flight time,

(3) Gliders—3 hours of flight time.

(b) *Commercial flying school.* (1) Airplanes—160 hours of flight time,

(2) Helicopters—160 hours of flight time,

(3) Gliders—20 hours of flight time.

(c) *Instrument flying school.* 30 hours of instrument flying instruction of which at least 20 hours shall be in actual flight; and 30 hours of ground instruction in the subjects of Civil Air Regulations (the regulations in this subchapter), navigation, meteorology, and radio orientation and procedure, as applied to instrument flying.

(d) *Flight instructor school.* 25 hours of flying devoted exclusively to the science of flight instruction, and 40 hours of theoretical instruction in subjects covering the fundamentals of giving flight instruction and the analysis and performance of flight maneuvers.

§ 50.13-1 *Primary flying school curriculums; airplanes; land and sea; 35 hours flying time (CAA rules which apply to § 50.13 (a) (1)).*—(a) *Airplanes—land.* The applicant shall provide a primary flight curriculum satisfactory to the Administrator. This curriculum shall include not less than 35 hours flying time and shall be arranged so as to allow a minimum of 15 hours dual and 13 hours of solo flight time. Flying time devoted to student progress or stage checks may be credited as dual instruction for the purpose of meeting the requirements of primary flying school curriculums. Such flights may be conducted by the regularly assigned flight instructor, agency check pilot, or Aviation Safety Agent. A minimum of 8 hours dual instruction shall be given prior to solo flight. A minimum of 4 hours dual and 8 hours solo cross-country flying shall be provided. The solo cross-country experience shall include at least one flight to a point more than 100 airline miles from the base of operation. During the flight at least two full stop landings shall be made. The landing at destination may be credited toward meeting the en route landing requirement. The required dual instruction in cross-country flying shall be given after the student's initial solo. During the course of the flight instruction, ground discussion shall be given at the ratio of at least 15 minutes per hour of flight time. This shall include familiarizing the student with the aircraft in regard to controls, instruments, fuel system, electrical system, radio and accessories. The use and care of parachutes, safety precautions consisting of eliminating hazards to spectators, starting and stopping of engines, and securing of aircraft shall be thoroughly discussed. Each student shall be completely familiar with the pertinent local air traffic rules and patterns prior to initial solo. Pre-flight and line inspections shall be

accomplished by the student whenever possible.

Dual instruction prior to solo shall consist of at least the following:

Determination of wind direction, on the ground and in flight.

Taxing, into wind, cross-wind and down-wind.

Engine run-up prior to take-off, use of airplane check list when check lists are involved.

Straight and level flight.

Shallow, medium and steep banked turns, right and left.

Climbs, glides, including turn, right and left.

Coordination exercises, elementary eights, and S-turns across ground reference lines.

Slow flight.

Stalls and recovery with and without power.

Normal take-offs and landings.

Slips.

Emergency procedure.

Maneuvers following solo. Flight at various power settings so as to accomplish straight and level flight and turns in both directions without loss or gain of altitude.

Precision turns of shallow, medium and steep banked attitudes, emphasizing constant bank, speed and altitude.

Dragging areas.

Demonstration and practice in short field or soft field takeoffs and approaches to landing.

Left and right climbing and gliding turns at normal and minimum controllable speeds.

Power-on and power-off stalls and recovery entered from all normally anticipated flight attitudes.

Execution of turns around reference points on the ground. This shall include the execution of 720° power turns around such reference points. During this maneuver the banked attitude shall be varied so as to maintain a track of equal radius around the selected point. The 720° power turns shall be performed so that a banked attitude of more than 45° may be attained during the maneuver.

Cross-wind take-offs and landings.

Simulated emergency landings from high and low altitudes.

Precision landings with engine throttled using slips or flaps to facilitate landing within desired area.

Power approaches to landing.

Wheel landings.

Cross-country flying: 4 hours dual and 8 hours solo flying time. During the student's cross-country training, landings and take-offs should be made at as many different airports as possible. This phase of the curriculum shall consist of instruction in at least the following:

Pre-flight cross-country planning. Plotting course.

Determining magnetic course.

Computing distance and estimating time of arrival.

Checking weather.

Study of navigational facilities and airports to be used including alternate airports.

Determining fuel requirements for flight.

Selecting altitude.

Loading of aircraft.

In flight. Determining compass course to destination.

Estimating time between check points.

Determining course to alternate airport.

At destination. Securing aircraft.

Cross-country planning for return trip.

(b) *Airplanes; sea.* Where flight instruction is given in a seaplane, the following shall also be included in the curriculum:

(1) Pre-flight instruction:

Explanation of float action.

Retraction of water rudders.

Determination of wind direction.
 Fundamentals of water handling.
 Fundamentals of aviation seamanship.
 Use of life preservers.
 General care of seaplanes.

(2) Additional maneuvers to be included:

Semi-stall and full-stall landings.
 Power approaches and power landings given under average water conditions and on glassy water.

Where practicable, landings and take-offs on various bodies of water such as a bay (tide action) and streams (currents).

Precision sailing (with and without power).

Precision docking, beaching, and mooring.
 Forced landings, executed to buoy markers.

(c) *Alternate curriculum, primary flying school.* An applicant for an approved airman agency primary flying school may utilize a curriculum different from those prescribed in this manual, provided prior approval is obtained from the Administrator.

Request for approval may be made to the local CAA Aviation Safety District Office. Two copies of the proposed curriculum shall accompany such a request.

§ 50.13-2 *Primary flying school curriculum, helicopter (CAA rules which apply to § 50.13 (a) (2))*—(a) *Helicopters; 35 hours flying time.* A curriculum satisfactory to the Administrator shall include not less than 35 hours of flying time. This course shall be arranged to give each student a minimum of 15 hours dual and 13 hours of solo flight time. A minimum of 8 hours dual instruction shall be given prior to solo flight and is to be included in the 15 hours of required dual.

It may be found necessary to modify or eliminate certain flight maneuvers because of the wide variation in flight characteristics that exist in helicopters of different manufacture. In general, however, any curriculum to be satisfactory to the Administrator shall include the following:

(1) Familiarization, including control usage, starting, warm-up, run-up, and stopping of engine, limitation placards, engine and flight instruments, fuel and electrical system, servicing precautions, safety belts, and hazards to spectators; local airport rules and regulations.

(2) The dual instruction prior to solo shall include both theoretical and practical instruction in:

Taxing (into wind, downwind and cross-wind).

Take-offs (upwind and cross-wind).

Landings (into the wind).

Hovering (into wind and cross-wind, downwind hovering should be demonstrated).

90° hovering turns.

Sideward and backward flight.

Rectangular course (hovering altitude constant heading).

Climbing and descending.

Minimum steep turns (not to exceed 30°).

Normal, 30° angle, approaches to landing.

Traffic pattern flying.

Elementary autorotative approaches.

Simulated emergency landings.

(3) The above should be followed by additional dual and solo practice. Periodic checks should be given throughout the course. Dual instruction and solo

practice shall also be given on the following maneuvers.

Hovering downwind.

Hovering turns, 90° through 360°

Settling with power and recovery.

Accuracy landings: normal, slow-steep, fast-low, flare and no-flare type approaches.

Autorotative approaches: straight, 90°, 180° and 360°

Dual and solo cross-country. A minimum of 2 hours dual and 3 hours solo cross-country experience shall be provided in the curriculum. This shall include a solo cross-country flight with two intermediate full-stop landings, one leg of which shall be at least 50 miles in length.

At least one hour of dual instruction shall be given at an altitude sufficiently high to demonstrate the misconceptions of attitude and movement which may occur when flying a helicopter at altitude by outside visual reference only.

Turns, medium steep bank (30° to 45°).

S-turns along ground reference line (varying speeds).

§ 50.13-3 *Primary flying school curriculum, glider (CAA rules which apply to § 50.13 (a) (3))*—(a) *Glider; 8 hours flying time.* An applicant for a primary glider flying school rating shall provide a flight curriculum satisfactory to the Administrator. This curriculum shall include not less than 8 hours of total flight time. Any curriculum, to be satisfactory to the Administrator, shall include the following:

A minimum of 3 hours of dual and check time.

A minimum of 5 hours of supervised solo flight time.

A minimum of 80 gliding flights.

Flight instruction shall include, but not be limited to, the following maneuvers:

Straight glides.

Confidence maneuvers.

Turns.

Coordination exercises.

Stalls.

Airplane tow technique.

Glidepath technique.

Use of spoilers.

Cross- and down-wind technique.

Landings.

Additional dual instruction and solo practice should follow to obtain proficiency in all maneuvers. The apportionment of dual and solo time and the amount of instruction and practice in each maneuver should be adequate to enable the student to sufficiently demonstrate his proficiency in each, to a degree required of a private glider pilot.

§ 50.13-4 *Commercial flying school curriculums; airplanes; land and sea (CAA rules which apply to § 50.13 (b) (1))*—(a) *Airplane—land.* An applicant for a commercial flying school rating shall provide a flight instruction curriculum satisfactory to the Administrator. Such curriculum shall consist of not less than 160 hours of flying time for the purpose of qualifying persons for commercial pilot certificates. Any curriculum to be satisfactory to the Administrator shall meet the following requirements:

(1) A minimum of 50 hours dual and check time. 8 hours of such instruction time shall be given prior to first solo flight.

(2) A minimum of 105 hours of supervised solo shall be given.

(3) A total of 10 hours of pilot-in-command, dual, or solo night flying shall be given. Whenever practicable, at least 3 hours should be devoted to night cross-country flying. During this phase of training, at least 5 hours, including 10 take-offs and 10 landings, should be accomplished while solo, or while serving as pilot-in-command and the sole manipulator of the controls. Normally the practicability of conducting the cross-country portion of the night flying requirement will be established by the local CAA Aviation Safety District Office. In making this determination, consideration shall be given to such items as nature of terrain, navigation facilities, alternate landing areas, etc.

(4) A minimum of 25 hours of dual and solo cross-country flying shall be given. During the course of instruction, at least one solo cross-country flight shall be made to a point not less than 300 miles distant from the point of departure. During such flight, at least 3 full-stop landings at different points along the route shall be made. In the course of the student's training, his flight record shall indicate one flight wherein all radio aids to air navigation that are available, have been utilized and shall include the preparation and use of a predetermined flight plan.

(5) A minimum of 10 hours solo shall be given in tandem seating aircraft.

(6) A minimum of 10 hours solo shall be given in side-by-side seating aircraft.

(7) A minimum of 10 hours solo shall be given in aircraft equipped with wing flaps, two-way radio, controllable propeller, and a manifold pressure gauge.

(8) The first 35 hours of instruction and solo practice shall be identical with the Primary Flying School Curriculum. Students who have successfully completed such curriculum in a certificated flying school, or possess a private pilot certificate, may be given appropriate credit when applying for the commercial pilot flight course. The determination of credit for previous flight experience is left to the discretion of the airman agency, with the understanding that a graduate has completed all course requirements.

(9) The flight curriculum shall be arranged so as to give instruction and solo-flight practice on all maneuvers necessary to enable a student to demonstrate proficiency to a degree required of a commercial pilot. Such maneuvers, in addition to those taught and practiced in the primary course, are:

Eighties on pylon (steep and shallow banked).

Precision landings from 180° side approach, use of key position should be emphasized.

720° power turns, left and right, executed at a banked attitude of at least 60°

Steep gliding (spiral) turns executed at a banked attitude of not less than 60°

Lazy eights.

Chandelles.

(b) *Airplanes; sea.* Where flight instruction is given in a seaplane, the following shall also be included in the curriculum:

(1) Pre-flight instruction:

Explanation of float action.
 Retraction of water rudders.

Determination of wind direction.
Fundamentals of water handling.
Fundamentals of aviation seamanship.
Use of life preservers.
General care of seaplanes.

(2) Additional maneuvers to be included:

Semi-stall and full-stall landings.
Power approaches and power landings given under average water conditions and on glassy water.

Where practicable, landings and take-offs on various bodies of water such as a bay (tide action) and streams (currents).

Precision sailing (with and without power).

Precision docking, beaching, and mooring.
Forced landings, executed to buoy markers.

§ 50.13-5 *Commercial flying school curriculum, helicopter (CAA rules which apply to § 50.13 (b) (2)).* (a) An applicant for a commercial flying school rating (helicopter) shall provide a flight instruction curriculum satisfactory to the Administrator. Such curriculum shall consist of not less than 160 hours of flying time for the purpose of qualifying persons for commercial pilot certificates.

(b) It may be found necessary to modify or eliminate certain flight maneuvers because of the wide variation in flight characteristics that exist in helicopters of different manufacture. In general, however, any curriculum to be satisfactory to the Administrator shall meet the following requirements:

(1) A minimum of 70 hours dual and check time. 8 hours of such instruction time shall be given prior to first solo flight.

(2) A minimum of 90 hours of supervised solo shall be given.

(3) A total of 10 hours of pilot-in-command, dual, or solo night flying shall be given. During this phase of training at least 5 hours, including 10 take-offs and 10 landings, should be accomplished while solo, or while serving as pilot-in-command, and the sole manipulator of the controls.

(4) A minimum of 25 hours of dual and solo cross-country flying shall be given. During the course of instruction, at least one solo cross-country flight shall be made to a point not less than 150 miles distant from the point of departure. During such flight, at least 3 full-stop landings at different points along the route shall be made.

(5) The first 35 hours of instruction and solo practice shall be identical with the helicopter private pilot flight curriculum. Students who have successfully completed such curriculum in a certificated flying school, or possess a private pilot certificate with helicopter rating, may be given appropriate credit when applying for the commercial pilot (helicopter) flight course.

(6) The flight curriculum shall be arranged so as to give instruction and solo flight practice on all maneuvers necessary to enable the student to demonstrate commercial pilot proficiency in the maneuvers characteristic of the helicopter type on which his training was received. In addition to those maneuvers taught and practiced in the primary course or initial 35 hours of training,

theoretical and practical instruction shall be provided in the following:

Running take-offs.
S-turns along ground reference line (varying speeds).

Pattern flying changing headings at hovering altitude.

Rapid decelerations (quick stops).

§ 50.13-6 *Commercial flying school curriculum; gliders (CAA rules which apply to § 50.13 (b) (3)).* An applicant for a commercial flying school rating (glider) shall provide a flight instruction curriculum satisfactory to the Administrator. Such curriculum shall consist of not less than 20 hours of flight and shall meet the following requirements:

(a) A minimum of 8 hours of dual and check time: 3 hours of such instruction time shall be given prior to first solo flight.

(b) A minimum of 12 hours of supervised solo shall be given after solo.

(c) A minimum of 100 gliding flights or 5 hours of soaring flight time shall be given.

(d) The first 8 hours of instruction and solo practice shall be identical with the private glider curriculum.

(e) The following maneuvers shall be included in addition to those taught and practiced in the private glider pilot course:

Emergency maneuvers such as recovery from stalls, entered from both level and steeply banked attitudes.

Spirals.
Cross-wind take-offs and landings.
Soaring techniques.
Lazy eights.
Accuracy landings.

§ 50.13-7 *Instrument flying school. (CAA rules which apply to § 50.13 (c)).*

(a) *Ground school curriculum.* The applicant shall provide an instrument ground school curriculum satisfactory to the Administrator. Such curriculum shall include not less than 30 hours of classroom instruction on the subjects listed below:

(1) *Civil air regulations.* At least 2 classroom hours of instruction to include:

Part 1: Certification, Identification, and Marking on Aircraft and related products.
Part 20: Pilot Certificates.
Part 43: General Operation Rules.
Part 60: Air Traffic Rules, including air traffic control practices and procedures.

(2) *Meteorology.* At least 5 classroom hours of instruction, of which one should be practical weather observation and the identification of weather conditions, to include:

Those subjects listed for advanced ground school rating.

Detailed study of conditions found under instrument flying conditions, with emphasis on icing conditions.

Advanced meteorology: Weather maps, fronts, and analysis.

(3) *Aircraft and theory of flight.* At least 3 classroom hours of instruction to include:

Study of aircraft equipment: deicing equipment, static eliminators, effect of ice on propeller, and wing efficiency.

Power required under various load conditions, and change in stalling speeds thereon.

(4) *Navigation.* At least 5 classroom hours of instruction to include:

Navigational problems under instrument conditions.

Use of computer.
Methods of obtaining fixes.
Correction of drift to regain position.
Alternate airport problems.
Airman's Guide, Flight Information Manual, Radio Facilities, and Instrument Approach Charts.

Radio orientation (at least 3 methods).

(5) *Instruments, radio and navigational aids.* At least 5 classroom hours of instruction to include:

Review of all instruments and errors that may be encountered under instrument conditions.

Study of radio aids to instrument flight.
Tuning radio, and use of volume control.
Description of various radio aids.

CAA communications facilities and flight assistance service, including search and rescue operations.

(6) *Instrument flight procedures.* At least 10 classroom hours of instruction, to be given in phase with or before actual flight training, to include:

Technique of instrument flight.
Beam and bracketing procedures.
Let-down procedures.
Air Traffic Control procedures.
Flight plans.

Each person giving, or employed to give, ground school instruction in an instrument flying school must be certificated as required by § 50.10 (c) or must possess a valid instrument rating.

(b) *Flight curriculum.* (1) This curriculum shall include not less than 30 hours of flight instruction, of which not more than 10 hours may be given in a flight simulator. That portion of the instruction which is conducted in a flight simulator shall remain in phase with the flight instruction.

(2) The curriculum, to be satisfactory to the Administrator, shall include at least the following:

Climbs and climbing turns.
Level flight.
Timed turns.
Steep turns (over 45°).
Stalls, and approaches to stalls.
Recovery from abnormal attitudes.
Slow flight and controlled descent.
Radio range orientation, including at least three methods.
Beam bracketing.
Station identification.
Airport and Airway Traffic Control holding and emergency procedures.
Final approach.
Missed approach.
Practical speed, wind, drift problems.

(3) The CAA wishes to encourage the use of VHF range systems. VHF facilities may be used in training and in accomplishing as much of the present flight test as is practicable; however, until the low frequency range system becomes obsolete and is supplanted by the new systems, orientation and the execution of a standard instrument approach, utilizing the low frequency system will be required. This portion may be accomplished in a simulator, provided a low approach is successfully made during the flight test utilizing VHF facilities.

§ 50.13-8 *Flight instructor school (CAA rules which apply to § 50.13 (d)).*

(a) *Ground school curriculum.* An applicant for a flight instructor flying school rating shall provide a ground school curriculum satisfactory to the Administrator. Such curriculum shall include not less than 40 hours instruction on "Analysis and Performance of Maneuvers" and "Psychology, Technique and Methods of Flight Instruction." A curriculum satisfactory to the Administrator shall include, but not be limited to:

(1) Steps in teaching students how to fly.

Preparation—knowledge of what to say and how to say it.

Definition of what is to be taught in a specific lesson. (Statement of Aims.)

Explanation of maneuvers. (Presentation.)

Demonstration of maneuvers.

Student's practice.

Determination of student's progress and review of weak points.

(2) Common errors in instruction:

Lack of planned instruction.

Variations in terminology used in flight instruction.

Giving instruction in flight which could better be given on ground.

Failure to stress important or key points. Poor speech habits, e. g., failure of instructor to speak clearly, etc.

Bad personal habits—impatience, lack of promptness, etc.

Failure to overcome prejudices with respect to other people's "peculiarities."

Emphasizing pet "hobbies" or "peeves."

(3) How students learn:

Importance of directed practice as compared with mere repetition.

Effect of old habits on learning how to fly. (Habit interference.)

Difficulties in trying to learn too much, too fast.

Value of training aids, e. g., charts, models, films, etc.

(4) Adapting training to individual students:

Slow versus fast learners.

Under-confident versus over-confident students.

The "problem child."

Preparatory planning of each student's lessons in order to deal with his individual problems.

(5) Keeping student interested:

Judicious use of praise and blame.

Informing student of his progress.

Importance of instructor appreciating student's problems.

(6) Keeping student fit:

Minimizing student fatigue.

Dealing with questions regarding health in relation to flying, e. g., ear trouble, the common cold, air sickness, etc.

Dealing with problem of "muscular tension."

Maintaining emotional stability.

(7) Finding out how student is progressing:

Reasons for standardization of check flights.

Subjective observation:

CAA rating procedures and other rating scales.

Training in use of above.

Objective evaluation:

Flight inventory.

Graphic methods.

Use of above techniques.

Difficulties in observing student's performance:

Errors of observation.

Elimination of errors.

(8) Checking up on your ability as an instructor.

Need for periodic check-up.

The teaching "Self-Audit."

(9) Summary of points to remember in flight instruction.

Plan instruction, on ground and in air, to meet student's problems.

Give all instruction possible on ground so that student has a clear idea of what is expected of him before start of flight lesson.

Keep instruction in air simple, clear, and concise.

Keep student interested and try to understand his problems.

Give student ample opportunity to review maneuvers already learned.

Direct student's solo practice along lines in which he is most inadequate.

Emphasize importance of judgment and necessity to "plan ahead."

(10) Civil air regulations.

(11) Analysis and performance of maneuvers.

(12) Final examination.

Each student will "instruct" the class on topics assigned in advance. Student's method of presentation will be criticized in light of principles of flight instruction discussed in course.

Analysis and performance of maneuvers.

(b) *Flight curriculum.* An applicant for flight instructor flying school rating shall provide a flight instruction curriculum satisfactory to the Administrator. Such curriculum shall consist of not less than 25 hours flying time for the purpose of qualifying persons for the flight instructor rating. A curriculum satisfactory to the Administrator shall include the following:

(1) A minimum of 10 hours dual and solo practice in the performance of all elementary, intermediate, and advanced maneuvers, to enable the student to demonstrate these with smoothness and precision and to assist him to develop an easy, confident manner when flying.

(2) A minimum of 15 hours in the practice of giving flight instruction in all elementary, intermediate, and advanced maneuvers, where the instructor will ride as trainee, simulating the usual errors of the novice pilot, and the student acts as instructor. The purpose is to develop proficiency in the analysis of maneuvers and to evolve a technique of imparting this knowledge under actual flight conditions. The curriculum shall include, but not be limited to, the following:

(i) Elementary maneuvers.

Taxing, into wind, cross-wind and downwind.

Straight and level flight.

Shallow, medium, and steep banked turns, right and left.

Climbs, glides, including turns right and left, at normal and minimum controllable speeds.

Power-on and power-off stalls and recovery entered from all normally anticipated flight attitudes.

Slow flight.

Spins.

S-turns along ground reference lines.

Medium and steep banked eights around pylon.

Slips.

Normal take-offs and landings.

Simulated emergency landings from high and low altitudes.

(ii) Intermediate maneuvers.

Eights "on" pylons.

Maximum climbing turns.

Gliding spiral turns, banked attitude of at least 60°

Short field take-offs and approaches to landing.

Slips, forward and side.

Controlled slipping turns.

90° approach for a landing.

180° side approach for a landing.

360° approach for a landing (simulated).

Cross-wind take-offs and landings.

Downwind landings, moderate winds, and when permissible.

Flight at various power settings so as to accomplish straight and level flight and turns in both directions without loss or gain of altitude.

Accidental and cross-control spins.

Dragging areas.

Power approaches to landing.

Wheel landings.

(iii) Advanced maneuvers.

Lazy eights.

Chandelles.

Precision spins, 1½, 2, and 3 turns.

720° power turns, left and right, executed at a banked attitude of at least 60°

(3) A minimum of 15-minute discussion periods shall be provided before and after each flight.

(4) Where seaplanes are used the following shall be included:

(i) Additional maneuvers.

Semi-stall and full-stall landings.

Power approaches and power landings given under average water conditions and on glassy water.

Where practicable, landings and take-offs on various bodies of water such as a bay (tide action) and streams (current).

Precision sailing (with and without power).

Precision docking, beaching, and mooring.

Forced landings executed to buoy markers.

(5) It may be found necessary to modify or eliminate certain flight maneuvers because of the wide variation in flight characteristics that exist in helicopters of different manufacture. In general, however, any curriculum to be satisfactory to the Administrator shall meet the following requirements:

(i) Elementary maneuvers.

Taxing (into wind, downwind, and cross-wind).

Take-offs (upwind and cross-wind).

Landings (into the wind).

Hovering (into wind and cross-wind).

90° hovering turns.

Sideward and backward flight.

Rectangular course (hovering altitude constant heading).

Climbing and descending.

Minimum banked turns (not to exceed 30°).

Normal, 30° angle, approaches to landing.

Traffic pattern flying.

Elementary autorotative approaches.

Simulated emergency landings.

(ii) Intermediate maneuvers.

360° hovering turns.

Accuracy landings: normal, slow-steep, fast-low, flare and no-flare type approaches.

Autorotative approaches: straight, 90°, 180° and 360°

S-turns along ground reference line (varying speeds).
 Medium steep banked turns (30° to 45°).
 Rapid decelerations (quick stops).
 Pattern flying changing headings at hovering altitude.
 Cross-wind take-offs and landings.

(iii) Advanced maneuvers.

Running take-offs and landings.
 Accuracy landings from autorotative glides: 90° 180° and 360°
 Vertical autorotation.
 Settling with power and recovery.
 Altitude flying; this to be accomplished at an altitude sufficiently high to demonstrate the misconceptions of altitude and movement which may occur when flying a helicopter at altitude by outside visual reference only.
 Downwind hovering.

GENERAL

CAR 50.20 *Application*. Application for an airman agency certificate and rating shall be made upon the form prescribed and furnished by the Administrator, and shall be accompanied by two copies of any proposed curriculum.

§ 50.20-1 *Application*. (CAA rules which apply to § 50.20) (a) The application shall be submitted on Form ACA-387, Application for Airman Agency Certificate and Rating, and Inspection Report. This form may be obtained from the nearest CAA Aviation Safety District Office. The local Aviation Safety Agent will furnish full information as to the execution of this application and will arrange appointments for the inspection of the facilities, equipment, etc. It is suggested that prior to the execution of the application the applicant discuss the rating sought with the Aviation Safety Agent involved.

(b) Unless requested by the local Aviation Safety Agent, it will not be necessary to submit the proposed curriculums in duplicate.

CAR 50.21 *Display*. Display of an airman agency certificate shall be made upon the reasonable request of any person.

§ 50.21-1 *Display* (CAA policies which apply to § 50.21). An airman agency flight or ground school will be furnished with an airman agency certificate which will be forwarded to the applicant upon approval of his application or upon renewal of his airman agency certificate. This certificate should be displayed or kept in the file for reference and be made available upon the reasonable request of any person. This certificate, currently designated as Form ACA-390, is the legal basis for school operation as an approved airman agency.

CAR 50.22 *Duration*. An airman agency certificate shall expire 24 calendar months after the month of issuance.

§ 50.22-1 *Duration* (CAA policies which apply to § 50.22). An airman agency certificate will expire 24 months after the month of issuance. However, the holder may apply for renewal 60 days prior to expiration. See sample Air Agency Certificate, Form ACA-390, contained in Appendix A (Forms) ¹

CAR 50.23 *Renewal*. Application for renewal of an airman agency certificate shall

be made on a form furnished by the Administrator and may be mailed or presented to any inspector within 60 days prior to the month of expiration.

§ 50.23-1 *Renewal* (CAA policies which apply to § 50.23). Application for renewal will be made on Form ACA-387, Application for Airman Agency Certificate and Rating, and Inspection Report. It is the holder's responsibility to secure the renewal of his airman agency certificate. Arrangements for this may be made through the local Aviation Safety Agent. An airman agency certificate may be renewed at any time within 60 days prior to the date of expiration. An expired air agency certificate may not be reinstated. In such instances, original certificate procedures will be observed. This will include the assignment of a new certificate number.

CAR 50.24 *Transfer*. An airman agency certificate is not transferable.

§ 50.24-1 *Change in ownership* (CAA policies which apply to § 50.24)—(a) *Change in ownership*. The certificate becomes invalid whenever a change in the ownership of the airman agency occurs. In such cases, the new owner should submit Form ACA-387, Application for Airman Agency Certificate and Rating, and Inspection Report, which will be processed as original issuance. Upon approval of the application, a new air agency certificate, with a new number and bearing the approval date of the new application, will be issued by the regional office involved.

(b) *Change in operating control*. Whenever there is a change in the operating control of an airman agency, a spot inspection will be conducted to determine that the agency continues to meet the requirements of this part.

§ 50.24-2 *Change of name (without change in ownership)* (CAA policies which apply to § 50.24). A change of name of an airman agency, without a change of ownership, does not invalidate the air agency certificate. However, such a change will be reported immediately on Form ACA-387 by the owner to the local Aviation Safety Agent. A new air agency certificate will be issued containing the old certificate number, the new name, and the ratings issued.

CAR 50.25 *Surrender*. Upon the suspension, revocation, termination, or cancellation of an airman agency certificate the holder thereof shall surrender such certificate to an authorized representative of the Administrator.

§ 50.25-1 *Surrender* (CAA policies which apply to § 50.25). (a) An air agency certificate can be rendered invalid only through suspension, revocation, expiration, or cancellation. In such cases, the air agency certificate will be surrendered by the holder.

(b) Voluntary surrender of an air agency certificate may be effected by the holder submitting a letter stating that the certificate has been voluntarily surrendered, together with the latest issuance of the air agency certificate.

CAR 50.26 *Quality of instruction*. The quality of instruction shall be such that at least 80 percent of the students who apply

within 60 days after graduation will be able to qualify for pilot ratings appropriate to the curriculum from which they were graduated.

§ 50.26-1 *Quality of instruction* (CAA policies which apply to § 50.26)—(a) *Student flight checks*. The holder of an air agency certificate will, upon request of the local CAA Aviation Safety District Office, submit students for flight proficiency checks. These checks are intended to determine the quality of instruction and adequacy of curriculum. Under normal circumstances approximately 10 percent of all approved school students will be spot checked by the local CAA Aviation Safety Agent after they have completed at least 50 percent of the flight curriculum. The flight test for the pilot certificate, appropriate to the curriculum from which the student has graduated, may be substituted for the above spot check provided such flight test is conducted by an Aviation Safety Agent.

In order to facilitate scheduling of these spot checks, the Air Agency will notify the local CAA Aviation Safety District Office, the names of all students they expect to graduate. This notice will be submitted in writing at least 15 days in advance of the date on which the graduation certificate is to be issued.

(b) *Air agency activity report*. The holder of an air agency certificate will furnish to the CAA an air agency activity report (Form ACA-1784). This report will contain: name of student, date of graduation and date and results of CAA written examination or flight test as required to qualify for pilot ratings appropriate to the curriculum from which the individual student was graduated. This form is used to record and analyze the performance of individual flying and ground schools and to insure compliance with the requirements of this part.

Entries should reflect only the results of the CAA written examination or flight test on which the student was examined within 60 days following graduation. The following certificate should appear on the form: "I certify that the information contained herein is true and correct to the best of my knowledge." This certificate will be dated and signed by an authorized official of the agency and will bear his title. Two copies of this report will be submitted to the local Aviation Safety District Office as soon as the agency has reports on 32 students, or at least once every 6 months.

CAR 50.27 *Student examinations*. Upon the completion of each subject included in an approved curriculum, each student taking the subject shall be given an appropriate examination. The student's written examination, or, in the case of a practical examination, a report thereof, shall be kept by the school for not less than 1 year from the date of the termination of the student's enrollment.

§ 50.27-1 *Student examinations*. (CAA interpretations which apply to § 50.27). The holder of an airman agency certificate must devise and administer appropriate written or practical examinations to each student upon completion of each course covered in the approved curriculum. Further, the school must maintain, for not less than

¹Not filed with the Federal Register Division.

one year from the date of the termination of the students' enrollment, a copy of the students' written examinations; in the case of a practical examination, a report of the examiner's findings must become a part of the file.

CAR 50.28 Records. The school shall keep an accurate individual record of each student, which shall include a chronological log of all instruction, attendance, subjects covered, examinations, and examination grades. The entire record shall be certified by an authorized official of the school.

§ 50.28-1 *Records (CAA policies which apply to § 50.28).* The school will keep a current record of each student's activity during course enrollment. Upon course completion or graduation, the entire record or file will be certified by an authorized representative of the school. This student file folder will be retained for a period of one year and made available for inspection upon reasonable request by an authorized representative of the Administrator. See sample forms in Appendix B.¹

CAR 50.29 Graduation certificates. A graduation certificate on the form prescribed by the Administrator shall be given each student graduated from a certificated airman agency school.

§ 50.29-1 *Graduation certificates (CAA rules which apply to § 50.29).* A Graduation Certificate shall be issued on Form ACA-391. It may be obtained from the local Aviation Safety Agent and, in addition to other pertinent data, shall reflect the grades obtained by the individual student on the written or practical examination conducted by the school.

CAR 50.30 Inspection. Upon reasonable request, an applicant for an airman agency certificate, or the holder of such a certificate, shall permit any authorized representative of the Administrator or the Board to inspect its personnel, facilities, equipment, and records.

§ 50.30-1 *Inspection (CAA policies which apply to § 50.30).* At varying intervals it will be necessary for the local Aviation Safety Agent to spot check, reinspect, or examine each operation, including the students, instructors, facilities, equipment, etc. It is anticipated that the arrangements for these inspections will be made on a mutually cooperative basis and that the examining agent will minimize the interruption to normal training schedules.

CAR 50.31 Curriculum changes. Changes in an approved curriculum shall not be made without filing immediate notification of such changes with the Administrator. Unless the school is notified to the contrary within 45 days after filing the proposed changes with the Administrator, they will be considered approved.

§ 50.31-1 *Curriculum changes (CAA interpretations which apply to § 50.31).* An approved airman agency must notify the local Aviation Safety Agent of any proposed changes in any approved curriculums and should the agent request it, forward the altered curriculum in duplicate. Until rejection or approval is received, the altered curriculum cannot be utilized. This action must be

completed within the 45 days prescribed above.

CAR 50.32 Maintenance of facilities, equipment, and material. A certificated airman agency shall maintain personnel, facilities, and equipment at least equal in quality and quantity to those required for the issuance of such a certificate.

CAR 50.33 Advertising. No certificated airman agency shall make any statement pertaining to the school which is false, or which is designed to mislead any person contemplating enrollment in the school. Any advertising which indicates that the school is approved by the Administrator shall clearly differentiate between those courses which have been approved by the Administrator and those which have not.

§ 50.33-1 *Advertising (CAA policies which apply to § 50.33).* It is necessary that any airman agency accompany the use of their airman agency number with their pertinent ratings on any form, correspondence, or advertising.

CAR 50.34 Change of location. No change in a location of an approved airman agency shall be made without the prior written approval of the Administrator.

§ 50.34-1 *Change of location (CAA policies which apply to § 50.34).* A change in location of an airman agency, without a change of ownership, does not invalidate the air agency certificate. However, the intent to make such a change will be reported on Application for Airman Agency Certificate and Rating, and Inspection Report (Form ACA-387) by the owner to the local Aviation Safety Agent. Upon receipt of such notification the local Aviation Safety Agent will signify approval or disapproval in the space provided on this form. As soon thereafter as is practical, an inspection of the facilities at the new location will be made and the remainder of the form completed. If the results of this inspection are satisfactory, a new airman agency certificate will be issued

containing the old certificate number, the new location, the ratings issued, and the date of reinspection. In the event that the results of this inspection are not satisfactory immediate action should be taken to eliminate the deficiencies or steps will be taken to revoke the certificate.

(Sec. 205, 52 Stat. 948, as amended; 49 U. S. C. 425. Interpret or apply sec. 601, 602, 607, 52 Stat. 1007, 1008, 1011, as amended; 49 U. S. C. 551, 552, 557)

These rules, policies and interpretations shall become effective August 1, 1951.

[SEAL]

F. B. LEE,
Acting Administrator of
Civil Aeronautics.

[F. R. Doc. 51-8226; Filed, July 17, 1951;
8:52 a. m.]

TITLE 24—HOUSING AND HOUSING CREDIT

Chapter VIII—Office of Housing Expediter

[Controlled Housing Rent Reg., Amdt 387]

[Controlled Rooms in Rooming Houses and
Other Establishments Rent Reg., Amdt.
382]

PART 825—RENT REGULATIONS UNDER THE
HOUSING AND RENT ACT OF 1947, AS
AMENDED

MAINE

Amendment 387 to the Controlled Housing Rent Regulation (§§ 825.1 to 825.12) and Amendment 382 to the Rent Regulation for Controlled Rooms in Rooming Houses and Other Establishments (§§ 825.81 to 825.92) Said regulations are amended in the following respects:

1. Schedule A, Item 138, is amended to read as follows:

Name of defense rental area	State	County or counties under rent regulation	Maximum rent date	Effective date of regulation	Date by which registration statement to be filed
(138) Presque Isle.	Maine.....	In Aroostook County, the towns of Ashland, Caribou, Easton, Fort Fairfield, Limestone, Mapleton, Mars Hill, Presque Isle, Van Buren, Washburn and Westfield, the plantations of Caswell and Hamlin, and the city of Presque Isle.	Mar. 1, 1942	Dec. 1, 1942	Jan. 15, 1943

This recontrols the Towns of Ashland, Caribou, Easton, Fort Fairfield, Limestone, Mapleton, Mars Hill, Presque Isle, Van Buren, Washburn and Westfield, the Plantations of Caswell and Hamlin, and the City of Presque Isle in Aroostook County, Maine, portions of the Presque Isle, Maine, Defense-Rental Area, which Defense-Rental Area was heretofore decontrolled as of September 13, 1949.

2. A new item is hereby incorporated in Schedule B to read as follows:

87. Provisions relating to the recontrol of the Towns of Ashland, Caribou, Easton, Fort Fairfield, Limestone, Mapleton, Mars Hill, Presque Isle, Van Buren, Washburn and Westfield, the Plantations of Caswell and Hamlin, and the City of Presque Isle in Aroostook County, Maine, portions of the Presque Isle, Maine, Defense-Rental Area.

Effective July 18, 1951, the provisions of §§ 825.1 to 825.12 and 825.81 to 825.92 shall apply to housing accommodations in the Towns of Ashland, Caribou, Easton, Fort Fairfield, Limestone, Mapleton, Mars Hill, Presque Isle, Van Buren, Washburn and Westfield, the Plantations of Caswell and Hamlin, and the City of Presque Isle in Aroostook County, Maine, portions of the Presque Isle, Maine, Defense-Rental Area, except as modified by the following provisions:

a. All orders in effect on September 12, 1949, in accordance with § 825.1 to 825.12 or § 825.81 to 825.92, shall be in full force and effect.

b. If, on July 18, 1951, there was a ground for adjustment under § 825.5 (a) or § 825.85 (a) for which no order had previously been issued, and a petition for adjustment is filed on or before August 17, 1951, the adjustment shall be effective as of July 18, 1951.

¹ Not filed with the Federal Register Division.

c. If, on July 18, 1951, the services provided with any housing accommodations are less than the minimum required by § 825.3 or § 825.83, the landlord shall either restore and maintain such minimum services or file a petition on or before August 17, 1951, requesting approval of the decreased services. If, on July 18, 1951, the furniture, furnishings or equipment provided with any housing accommodations are less than the minimum required by § 825.3 or § 825.83, the landlord shall file, on or before August 17, 1951, a written report showing the decrease in furniture, furnishings, or equipment. Except as modified by this paragraph "c" the provisions of §§ 825.5 (b) and 825.85 (b) shall be applicable to all such cases.

d. In the case of any action which on July 18, 1951, was required or authorized by §§ 825.1 to 825.12 or §§ 825.81 to 825.92 to be taken within a specified period of time, the same time period shall be applicable but such time period shall be counted from July 18, 1951.

e. The provisions of §§ 825.6 and 825.86 shall not apply to any case in which judgment was entered prior to July 18, 1951 by a court of competent jurisdiction for the eviction or removal of a tenant from housing accommodations.

(Sec. 204, 61 Stat. 197, as amended; 50 U. S. C. App. Sup. 1894.)

This amendment shall become effective July 18, 1951.

Issued this 13th day of July 1951.

TIGHE E. WOODS,
Housing Expediter

[F. R. Doc. 51-8227; Filed, July 17, 1951; 8:52 a. m.]

TITLE 32A—NATIONAL DEFENSE, APPENDIX

Chapter III—Office of Price Stabilization, Economic Stabilization Agency [General Ceiling Price Regulation, Supp. Reg. 41]

GCPR, SR 41—ADJUSTMENT OF CEILING PRICES FOR BROWN IRON ORE PRODUCED IN THE STATE OF GEORGIA

Pursuant to the Defense Production Act of 1950 (Pub. Law 774, 81st Cong.) as amended, Executive Order 10161 (15 F. R. 6105) and Economic Stabilization Agency General Order No. 2 (16 F. R. 738) this Supplementary Regulation 41 to the General Ceiling Price Regulation is hereby issued.

STATEMENT OF CONSIDERATIONS

This supplementary regulation to the General Ceiling Price Regulation increases the ceiling prices for brown iron ore produced in the State of Georgia by 2 cents per long dry unit.

Brown iron ore occurs in the State of Georgia in pockets, veins, and streaks and is mined principally through stripping operations. It is a relatively rich ore, containing anywhere from 45 to 55 percent iron as compared to an average iron content of 35 percent for the red ores produced in Alabama. Georgia brown ore also contains considerably more manganese than the red ores and this further enhances its value. The companies which produce brown ore are small and because of the sporadic nature

of the deposits, their operating costs are relatively high, involving considerable exploration, stripping, and washing expense.

Georgia brown ore is consumed by the pig iron producers and steel mills in the Birmingham district who use it in conjunction with the red ore extracted from their own mines and thus increase the iron content of the materials charged into their blast furnaces with a consequent increase in pig iron production. Under ordinary circumstances, Georgia brown ore is only a supplementary raw material for these consumers and in the past they have reduced and even discontinued their purchases when the output of their own mines was sufficient to meet their needs. Because of this variable demand, the mining of brown ore has been an intermittent operation and producers have attempted to get by with as little repair and replacement of equipment as possible.

The defense program, however, has resulted in a shortage of iron ore and producers of Georgia brown ore are being asked to increase their output to meet this need. In order to expand their production, these producers will have to incur considerable expense in replacing and renewing their equipment and facilities and will have to undertake additional exploration programs.

On April 17, 1951, five companies which produce about 56 percent of the brown ore mined in Georgia filed a petition for amendment of the General Ceiling Price Regulation requesting that their ceiling prices be increased by 3 cents per long dry unit. In support of their request, the petitioners furnished information showing that their production costs have risen sharply since the pre-Korea period while their prices have risen only slightly. From the data submitted, it appears that during the calendar quarter ending June 30, 1950, these five companies had total costs of \$3.03 per ton, a net realization of \$3.60 per ton, and a net profit of \$0.57 per ton. Their operations for the first quarter of 1951, however, resulted in total costs of \$3.67 per ton, a net realization of \$3.51, and a net loss of \$0.36 per ton. The first quarter of the year is a period of relatively low production and in order to give a more accurate picture of current operations, petitioners submitted an estimate of operations for the second quarter of 1951 calculated by adjusting their figures for the second quarter of 1950 to reflect changes in costs since the end of that period. This estimate showed costs of \$3.62 per ton, a net realization of \$3.60, and a net loss of \$0.02 per ton. The information submitted, however, did not take into account an increase in price of $\frac{1}{4}$ cent per long dry unit (equal to about \$0.11 cents per ton on the average) which occurred late in 1950 and it appears that a net profit of \$0.09 cents per ton more correctly states the anticipated result of operation in the period in question.

After consideration of the information submitted, the Director of Price Stabilization has granted an increase of \$0.02 per long dry unit (about \$0.85 per ton on the average) in the ceiling prices for

brown iron ore produced in the State of Georgia. Although the data submitted by the petitioners indicates that this action will enable producers to obtain an average margin of about \$0.95 per ton, it appears that there have been cost increases since such data was compiled and the actual margin earned under the new ceiling prices will be lower than that thus indicated. It is recognized that this actual margin will be somewhat above the margin which was obtained in the calendar quarter preceding the Korean outbreak, but it has been determined that the relief granted is necessary to encourage the producers involved to repair and replace their worn out equipment and facilities and to undertake the additional exploration needed to increase their output.

In the judgment of the Director of Price Stabilization, the provisions of this supplementary regulation are generally fair and equitable and are necessary to effectuate the purpose of Title IV of the Defense Production Act of 1950.

In promulgating this supplementary regulation the Director of Price Stabilization gave due consideration to the national effort to achieve maximum production in furtherance of the objectives of the Defense Production Act of 1950; to prices prevailing during the period from May 24, 1950, to June 24, 1950, inclusive; and to relevant factors of general applicability.

REGULATORY PROVISIONS

Sec.

1. What this supplementary regulation does.
2. Adjustment in ceiling prices.
3. Miscellaneous.

AUTHORITY: Sections 1 to 3 issued under sec. 704, Pub. Law 774, 81st Cong. Interpret or apply Title IV, Pub. Law 774, 81st Cong., E. O. 10161, Sept. 9, 1950, 15 F. R. 6105; 3 CFR, 1950 Supp.

SECTION 1. What this supplementary regulation does. This supplementary regulation increases ceiling prices for brown iron ore produced in the State of Georgia.

Sec. 2. Adjustment in ceiling prices. If you are a seller of brown iron ore produced in the State of Georgia, your ceiling price is the ceiling price determined in accordance with the General Ceiling Price Regulation plus \$0.02 per long dry unit.

Sec. 3. Miscellaneous. Any person subject to this supplementary regulation shall be subject to all provisions of the General Ceiling Price Regulation which are not inconsistent with the provisions of this regulation, including but not limited to, the enforcement and penalty provisions thereof, and the requirement of keeping on file for inspection a statement of his ceiling prices.

Effective date. This supplementary regulation to the General Ceiling Price Regulation shall become effective July 17, 1951.

MICHAEL V. DESALLE,
Director of Price Stabilization.

JULY 17, 1951.

[F. R. Doc. 51-8317; Filed, July 17, 1951; 10:03 a. m.]

TITLE 33—NAVIGATION AND NAVIGABLE WATERS

Chapter I—Coast Guard, Department of the Treasury

Subchapter K—Security of Vessels [CGFR 51-32]

PART 121—SECURITY CHECK AND CLEARANCE OF MERCHANT MARINE PERSONNEL

REQUIREMENTS FOR DOCUMENTS BEARING SECURITY CLEARANCE INDORSEMENT

Pursuant to the authority of 33 CFR 6.10-3, in Executive Order No. 10173 (15 F. R. 7007) the Commandant may require that all licensed officers and certificated men employed on other than exempted designated categories of merchant vessels of the United States be holders of specially validated documents. The purpose of the following new regulation, designated as § 121.16 (b) is to require that all persons employed on merchant vessels of the United States of 100 gross tons and upwards engaged in (1) the foreign trade, or (2) the inter-coastal trade, or (3) engaged in the coastwise trade to Alaska or the Hawaiian Islands, shall be holders of specially validated documents as a condition precedent to employment thereon. This is the second of series of similar requirements covering the categories of vessels listed in 33 CFR 121.02 (16 F. R. 817) Since the security interests of the United States call for the aforesaid application of the provisions of 33 CFR 6.10-3 at the earliest practicable date and because of the national emergency declared by the President, it is found that compliance with the notice of proposed rule making, public rule making procedure thereon, and effective date requirements of the Administrative Procedure Act is impracticable and contrary to the public interest.

By virtue of the authority vested in me as Commandant, United States Coast Guard, by Executive Order No. 10173, the following regulation is prescribed which shall become effective on and after September 1, 1951.

Section 121.16 is amended by adding a new paragraph (b) reading as follows:

§ 121.16 *Requirements for documents bearing security clearance indorsement.*

(b) On and after September 1, 1951, all persons employed on merchant vessels of the United States of 100 gross tons and upwards engaged in (1) the foreign trade, or (2) the inter-coastal trade, or (3) the coastwise trade to Alaska or the Hawaiian Islands, shall be required as a condition of employment to be in possession of a document bearing a special validation indorsement for emergency service prior to acceptance of employment as members of crews of such vessels. The issuance of documents bearing security clearance shall be in the form and manner prescribed by § 121.15.

(40 Stat. 220, as amended; 50 U. S. C. 191, E. O. 10173, Oct. 18, 1950, 15 F. R. 7005; 3 CFR, 1950 Supp.)

Dated: July 12, 1951.

[SEAL] MERLIN O'NEILL,
Vice Admiral, U. S. Coast Guard,
Commandant.

[F. R. Doc. 51-8194; Filed, July 17, 1951;
8:49 a. m.]

TITLE 36—PARKS, FORESTS, AND MEMORIALS

Chapter I—National Park Service, Department of the Interior

PART 3—NATIONAL CAPITAL PARKS REGULATIONS

MAKING FALSE REPORTS TO U. S. PARK POLICE

Part 3 is amended by adding a new § 3.47, reading as follows:

§ 3.47 *Making false reports to the United States Park Police.* Any person who shall make or cause to be made to the United States Park Police or to any officer or member thereof, a false or fictitious report of the commission of any criminal offense within any area administered by the Office of National Capital Parks, or a false or fictitious report of any other matter or occurrence of which said United States Park Police is required to receive reports or in connection with which said United States Park Police is required to conduct an investigation, knowing such report to be false or fictitious, or shall communicate or cause to be communicated to the said United States Park Police or any officer or member thereof any false information concerning the commission of any criminal offense within any area administered by the Office of National Capital Parks, or concerning any other matter or occurrence of which said United States Park Police is required to receive reports, or in connection with which said United States Park Police is required to conduct an investigation, knowing such information to be false, shall be punished as provided in § 3.5.

(Sec. 6, 30 Stat. 571, sec. 3, 39 Stat. 535, as amended; 8 D. C. Code 143, 16 U. S. C. 3)

Issued this 12th day of July 1951.

OSCAR L. CHAPMAN,
Secretary of the Interior

[F. R. Doc. 51-8165; Filed, July 17, 1951;
8:45 a. m.]

TITLE 39—POSTAL SERVICE

Chapter I—Post Office Department

PART 34—CLASSIFICATION AND RATES OF POSTAGE

POST OFFICES IN CAROLINE, MARSHALL, AND MARIANA ISLANDS; POSTAGE RATES AND CONDITIONS APPLICABLE TO MAIL

Amend Part 34, Classification and Rates of Postage (39 CFR Part 34) by the addition of a new § 34.97 to read as follows:

§ 34.97 *Post offices in the Caroline, Marshall, and Mariana Islands; postage rates and conditions applicable to mail.*

(a) The domestic postage rates and conditions, both for surface and air mail, are applicable to matter sent to or from

the following post offices established in the Caroline, Marshall, and Mariana Islands:

Majuro, Marshall Islands.
Saipan, Mariana Islands.
Ponape, Caroline Islands.
Truk, Caroline Islands.
Koror, Caroline Islands.
Yap, Caroline Islands.

(b) The eighth zone rates apply to fourth-class (parcel post) surface mail and to air parcel post mail sent to, from or between these islands and the United States or its territories and possessions.

(c) Domestic matter mailed from or addressed for delivery in these islands may be accepted for registration or insurance but no c. o. d. service will be available.

(R. S. 161, 396, 3829, 3964, 3965, secs. 304, 309, 42 Stat. 24, 25, sec. 1007 (a), 52 Stat. 1027, 61 Stat. 397, 3301; 5 U. S. C. 22, 369; 22 U. S. C. 287; 39 U. S. C. 1, 481, 483)

[SEAL] J. M. DONALDSON,
Postmaster General.

[F. R. Doc. 51-8166; Filed, July 17, 1951;
8:45 a. m.]

PART 127—INTERNATIONAL POSTAL SERVICE: POSTAGE RATES, SERVICE AVAILABLE AND INSTRUCTIONS FOR MAILING

FINLAND

Correction

The amendment in Federal Register Document 51-8069, published on page 6802, Saturday, July 14, 1951, should read as follows:

In § 127.251 *Finland*, as amended (15 F. R. 6474, 6597), amend subdivision (ii) of paragraph (b) (3a) by striking out "3,000 Finnish marks" and by inserting in lieu thereof "5,000 Finnish marks"

TITLE 50—WILDLIFE

Chapter I—Fish and Wildlife Service, Department of the Interior

Subchapter F—Alaska Commercial Fisheries

PART 109—COOK INLET AREA

TOTAL AGGREGATE LENGTH OF GILL NETS

Basis and purpose. On the basis of observations and reports of field representatives of the Fish and Wildlife Service, it has been determined that the increase this year in the number of drift gill net boats fishing in the waters of Cook Inlet is endangering the required escapement of salmon to the spawning grounds and the fishing intensity must be reduced.

As the fishing season is underway it is necessary that the imposition of the restriction in gear be effective as soon as possible.

Effective immediately § 109.7 *Total aggregate length of gill nets* is amended by deleting "200 fathoms" and substituting in lieu thereof "150 fathoms."

(Sec. 1, 43 Stat. 464, as amended; 48 U. S. C. 221)

M. C. JAMES,
Acting Director.

[F. R. Doc. 51-8164; Filed, July 17, 1951;
8:45 a. m.]

PROPOSED RULE MAKING

INTERSTATE COMMERCE
COMMISSION

[49 CFR Part 205]

ANNUAL REPORTS OF CLASS I MOTOR
CARRIERS OF PROPERTY

NOTICE OF PROPOSED RULE MAKING

JULY 9, 1951.

The Commission, having under consideration the matter of freight commodity statistics for Class I Motor Carriers of Property pursuant to authority of section 220 (d) of the Interstate Commerce Act, has approved the inclusion in Motor Carrier Annual Report Form A (§ 205.1) of a new schedule to show information relating to truckload shipments by commodity groups, effective for the year 1952. The commodity classes and groups are those prescribed for and now reported by steam railroads, water carriers, and electric railroads.

The new schedule will provide for reporting by prescribed commodity groups and classes, information regarding intercity truckload traffic originated and terminated by all common and contract carriers except that includible in lines 2, 7, 10, 12, 15, and 17 of schedule 9004 of the Motor Carrier Annual Report Form A, i. e., (a) household goods, (b) dump trucking, (c) armored truck service, (d) films and associated commodities, (e) retail store delivery, and (f) specific commodities not subgrouped in the schedule, as follows:

1. Revenue freight originated:
 - (a) Terminating with carrier:
 - Number of shipments.
 - Number of tons (2,000 pounds).
 - Freight revenue.
 - (b) Delivered to another motor carrier:
 - Number of shipments.
 - Number of tons (2,000 pounds).
 - Freight revenue.
2. Revenue freight received from another motor carrier:
 - (a) Terminating with carrier:
 - Number of shipments.
 - Number of tons (2,000 pounds).
 - Freight revenue.
 - (b) Delivered to another motor carrier:
 - Number of shipments.
 - Number of tons (2,000 pounds).
 - Freight revenue.
3. Total truckload revenue freight:
 - Number of shipments.
 - Number of tons (2,000 pounds).
 - Freight revenue.

For the purpose of this schedule a truckload shipment shall mean any shipment of not less than 10,000 pounds of a single commodity represented by one of the classes of the Commission's freight commodity classification or any subdivision of such classes which moves on a single bill of lading. It is recognized that more than one shipment of 10,000 pounds will at times move in the same truck but, in compiling the data, each such shipment will be treated as a truckload shipment. Truckload shipments received from or delivered to a carrier other than a motor carrier shall be classified as originating and terminating, respectively, with the reporting carrier.

Any interested party may on or before August 15, 1951, file with the Com-

mission a written statement of reasons why freight commodity statistics should not be included in the Motor Carrier Annual Report Form A, and may request oral argument if desired.

Unless modifications are found necessary after full consideration of the matter and of all representations respecting it, the classification of all truckload shipments will be required according to the attached list of groups and classes of commodities.

[SEAL]

W. P. BARTLE,
Secretary.

LIST OF COMMODITY GROUPS AND CLASSES

GROUP I—PRODUCTS OF AGRICULTURE

Class

1. Wheat.
3. Corn.
5. Sorghum grains.
7. Oats.
9. Barley and rye.
11. Rice.
13. Grain, n. o. s.
15. Flour, wheat.
17. Meal, corn.
19. Flour, edible, n. o. s.
21. Cereal feed preparations, n. o. s.
23. Mill products, n. o. s.
25. Hay.
27. Straw.
29. Tobacco, unmanufactured.
31. Tobacco clippings, sweepings, and waste.
33. Cotton in bales.
35. Cotton lint, nolls, and regins.
37. Cottonseed.
39. Cottonseed oil cake and meal.
41. Cottonseed hulls and bran.
43. Soybeans.
45. Soybean oil cake and meal.
47. Vegetable and nut oil cake and meal, n. o. s.
49. Apples, fresh, not frozen.
51. Bananas, fresh.
53. Berries, fresh, not frozen.
55. Cantaloupes and melons, n. o. s.
57. Grapes, fresh.
59. Lemons, limes, and citrus fruits, n. o. s.
61. Oranges and grapefruit.
63. Peaches, fresh, not frozen.
65. Pears, fresh, not frozen.
67. Watermelons.
69. Fruits, fresh, n. o. s., not frozen.
71. Fruits, dried, dehydrated, and evaporated, n. o. s.
73. Fruits and berries, fresh, frozen.
75. Coffee.
77. Cabbage.
79. Celery.
81. Lettuce.
83. Onions, dry.
85. Potatoes, other than sweet.
87. Tomatoes.
89. Vegetables, fresh, n. o. s., not frozen.
91. Beans and peas, dried.
93. Vegetables, dried, dehydrated, and evaporated, n. o. s.
95. Vegetables, fresh frozen.
97. Peanuts.
101. Sugar beets.
103. Malt, n. o. s.
105. Flaxseed.
107. Seeds, n. o. s.
109. Products of agriculture, n. o. s.
- (800) Total products of agriculture.

GROUP II—ANIMALS AND PRODUCTS

201. Horses, mules, ponies, and asses.
203. Cattle and calves, single-deck.
205. Calves, double-deck.
207. Sheep and goats, single-deck.
209. Sheep and goats, double-deck.
211. Swine, single-deck.
213. Swine, double-deck.
215. Meats, fresh, n. o. s.

LIST OF COMMODITY GROUPS AND CLASSES—
ContinuedGROUP II—ANIMALS AND PRODUCTS—continued
Class

217. Meats, cooked, cured, dried, and smoked.
219. Packing house products, edible, n. o. s.
221. Margarine, n. o. s.
223. Poultry, live.
225. Poultry, dressed and frozen.
227. Eggs.
229. Butter.
231. Cheese.
233. Dairy products, n. o. s.
235. Wool and mohair in grease.
237. Wool and mohair, n. o. s.
239. Hides, skins, and pelts, n. o. s.
241. Leather, n. o. s.
243. Sea food, n. o. s.
245. Fish and sea animal oil.
253. Animals and products, n. o. s.
- (810) Total animals and products.

GROUP III—PRODUCTS OF MINES

301. Anthracite coal, n. o. s.
303. Anthracite coal to breakers and washeries.
305. Bituminous coal.
307. Coke.
309. Iron ore.
311. Aluminum ore and concentrates.
313. Copper ore and concentrates.
315. Lead ore and concentrates.
317. Zinc ore and concentrates.
319. Ores and concentrates, n. o. s.
321. Earytes.
323. Clay and bentonite.
325. Sand, industrial.
327. Gravel and sand, n. o. s.
329. Stone and rock: broken, ground, and crushed.
331. Fluxing stone and raw dolomite.
333. Stone, rough, n. o. s.
335. Stone, finished, n. o. s.
337. Petroleum, crude.
339. Asphalt.
341. Salt.
343. Phosphate rock.
345. Sulphur.
353. Products of Mines, n. o. s.
- (820) Total products of mines.

GROUP IV—PRODUCTS OF FORESTS

401. Logs, butts, and bolts.
403. Posts, poles, and piling, wooden.
405. Wood, fuel.
407. Ties, railroad.
409. Pulpwood.
411. Lumber, shingles, and lath.
413. Box, crate, and cooerage materials.
415. Veneer, plywood, and built-up wood.
417. Resin and turpentine.
423. Products of forests, n. o. s.
- (830) Total products of forests.

GROUP V—MANUFACTURES AND MISCELLANEOUS

501. Gasoline.
503. Fuel, road, and petroleum residual oils, n. o. s.
505. Lubricating oils and greases.
507. Petroleum products, refined, n. o. s.
509. Gases, other than petroleum, n. o. s.
511. Cottonseed oil.
513. Linseed oil.
515. Soybean oil.
517. Vegetable and nut oils, n. o. s.
519. Oils, n. o. s.
521. Oils, fats, codiment, and tank bottoms.
523. Rubber, crude, natural, and synthetic.
525. Rubber goods, n. o. s.
527. Chemicals, n. o. s.
529. Sulphuric Acid.
531. Acids, n. o. s.
533. Sodium (soda) products.
535. Alcohol, n. o. s.
537. Alkalies, n. o. s.
539. Fertilizers, n. o. s.
541. Insecticides and fungicides, n. o. s.
543. Tar, pitch, and creosote.

LIST OF COMMODITY GROUPS AND CLASSES—
ContinuedGROUP V—MANUFACTURES AND MISCELLANEOUS—
continued

- Class
545. Tanning material, n. o. s.
547. Paint, paint material, putty, and varnish.
549. Plastics.
551. Cellulose articles, n. o. s.
553. Drugs, medicines, and toilet preparations.
555. Aluminum: Bar, Ingot, Pig, and Slab.
557. Aluminum, n. o. s.
559. Copper: Ingot, Matte, and Pig.
561. Copper, Brass, and Bronze, n. o. s.
563. Lead and Zinc: Bar, Ingot, and Pig.
565. Lead and Zinc, n. o. s.
567. Magnesium metal and alloy.
569. Alloys for steel manufacture.
571. Metals and alloys, n. o. s.
573. Iron, pig.
575. Iron and steel: billet, bloom, and ingot.
577. Iron and steel: bar, rod, and slab.
579. Iron and steel, n. o. s.
581. Iron and steel nails and wire (woven and not woven) n. o. s.
583. Manufactured iron and steel.
585. Cast iron pipe and fittings.
587. Iron and steel pipe and fittings, n. o. s.
589. Tanks, n. o. s.
591. Agricultural implements, n. o. s.
593. Agricultural implement parts, n. o. s.
595. Machinery and machines, n. o. s.
597. Machinery parts.
601. Business and office machines, n. o. s.
603. Railway equipment moved on own wheels.
605. Railway equipment, s. u., not moved on own wheels.
607. Railway equipment parts.
609. Rails and railway track material, iron and steel.
611. Vehicles, other than motor.
613. Automobiles, passenger.
615. Automobiles, freight.
617. Vehicles, motor, n. o. s.
619. Military vehicles, n. o. s.
621. Automobiles and autotricks, k. d.
623. Vehicle parts, n. o. s.
625. Airplanes, aircraft, and parts.
627. Tires and tubes, rubber.
629. Guns, small arms, and parts, n. o. s.
631. Ammunition and explosives.
633. Cement: natural and Portland.
635. Cement, n. o. s.
637. Brick, common.
639. Brick, n. o. s., and building tile.
641. Refractories.
643. Artificial stone, n. o. s.
645. Lime, n. o. s.
647. Plaster: stucco and wall.
649. Sewer pipe and drain tile (not metal).
651. Broken or ground brick, blocks, crockery, and glass.
653. Woodpulp.
655. Scrap paper and rags.
657. Newsprint paper.
659. Printing paper, n. o. s.
661. Wrapping paper.
663. Paper bags.
665. Paper and paper articles, n. o. s.
667. Printed matter, n. o. s.
669. Paperboard, fibreboard, and pulpboard.
671. Wallboard.
673. Building paper and prepared roofing materials.
675. Insulating materials, n. o. s.
677. Building woodwork and millwork.
679. Building materials, n. o. s.
681. Buildings and houses, fabricated and portable, n. o. s.
683. Asbestos articles, n. o. s.
685. Electrical equipment and parts, n. o. s.
687. Furnaces, heaters, radiators, and parts.
689. Bathroom and lavatory fixtures and sinks.
691. Hardware, n. o. s.
693. Glass.
695. Glassware, n. o. s.
697. Glass bottles, jars, and packing glasses, n. o. s.
701. Chinaware, crockery, and earthenware.

LIST OF COMMODITY GROUPS AND CLASSES—
ContinuedGROUP V—MANUFACTURES AND MISCELLANEOUS—
continued

- Class
703. Woodenware.
705. Household utensils, n. o. s.
707. Refrigerators, freezing apparatus, and parts.
709. Laundry equipment.
711. Stoves, ranges, and parts.
713. Floor covering.
715. Furniture, n. o. s.
717. Furniture parts.
719. Tools and parts, n. o. s.
721. Abrasives, other than crude.
723. Bagging: burlap, cotton, gunny, and jute, n. o. s.
725. Bags: burlap, cotton, gunny, and jute, n. o. s.
727. Cotton cloth and cotton fabrics, n. o. s.
729. Cotton factory products.
731. Synthetic fibre and yarns (rayon or nylon).
733. Cloth and fabrics, n. o. s.
735. Rope, cordage, and binder twine, n. o. s.
737. Boots, shoes, and findings, n. o. s.
739. Luggage and handbags, n. o. s.
741. Athletic, gymnasium, playground, and sporting equipment, n. o. s.
743. Games and toys.
745. Liquors, alcoholic, n. o. s.
747. Wine.
749. Liquors, malt.
751. Beverages, n. o. s.
753. Ice.
755. Syrup and molasses, refined.
757. Molasses, residual.
759. Sugar.
761. Candy and confectionery.
763. Food products, n. o. s., in cans and packages, not frozen.
765. Food products, n. o. s., frozen.
767. Starch.
769. Soap and cleaning and washing compounds.
771. Matches.
773. Feed, animal and poultry, n. o. s.
775. Manufactured tobacco, n. o. s.
777. Cigarettes.
779. Containers, metal.
781. Containers, wooden.
783. Containers, fibreboard and paperboard, k. d.
785. Containers, n. o. s.
787. Containers, returned empty.
789. Scrap iron and scrap steel.
791. Iron and steel borings, turnings, etc.
793. Furnace slag.
795. Waste materials for remelting, n. o. s.
797. Waste materials, n. o. s.
799. Manufactures and miscellaneous n. o. s.
- (940) Total manufactures and miscellaneous.

GROUP VI—FORWARDER TRAFFIC

950. Forwarder traffic.
- (900) Grand total truckload traffic.

[F. R. Doc. 51-8063; Filed, July 16, 1951;
8:45 a. m.]

DEPARTMENT OF AGRICULTURE

Production and Marketing
Administration

17 CFR Part 52.1

CANNED BEETS

U. S. STANDARDS FOR GRADES¹

Notice is hereby given that the United States Department of Agriculture is considering the revision, as herein proposed, of United States Standards for Grades of Canned Beets, pursuant to the au-

¹ The requirements of these standards shall not excuse failure to comply with the provisions of the Federal Food, Drug, and Cosmetic Act.

thority contained in the Agricultural Marketing Act of 1946 (60 Stat. 1087; 7 U. S. C. 1621 et seq.) and Public Law 70 (82d Cong., approved July 1, 1951) [This revision, if made effective, will be the sixth issue by the Department of grade standards for this product.

All persons who desire to submit written data, views, or arguments for consideration in connection with the proposed revision should file same, in duplicate, with the Chief, Processed Products Standardization and Inspection Division, Fruit and Vegetable Branch, Production and Marketing Administration, United States Department of Agriculture, Washington 25, D. C., not later than 30 days after publication hereof in the FEDERAL REGISTER.

The proposed revision is as follows:

§ 52.177 *Canned beets.* "Canned beets" means canned beets as defined in the definitions and standards of identity for canned vegetables (21 CFR, Cum. Supp., 52.990), issued pursuant to the Federal Food, Drug, and Cosmetic Act.

(a) *Styles of canned beets.* (1) "Whole" or "whole beets" means canned beets consisting of whole beets that retain the approximate original conformation of the whole beet.

(2) "Slices" or "sliced beets" means canned beets consisting of slices of beets, irrespective of whether such slices are "corrugated," "fluted," "wavy," or "scallop."

(3) "Quarters" or "quartered beets" means canned beets consisting of quarters of beets.

(4) "Dice" or "diced beets" means canned beets consisting of diced beets.

(5) "Julienne," "French style," or "shoestring" means canned beets consisting of strips of beets.

(6) "Cut" means canned beets consisting of units, irrespective of whether such units are "segmented" or "wedge-shaped," which are not uniform in size or shape or which do not conform to any of the foregoing styles.

(7) "Unit" means an individual beet or portion of a beet in canned beets.

(b) *Grades of canned beets.* (1) "U. S. Grade A" or "U. S. Fancy" is the quality of canned beets that possess similar varietal characteristics; possess a normal flavor and odor; possess a good color; are practically free from defects; are tender; and possess such uniformity of size and shape as to score not less than 85 points when scored in accordance with the scoring system outlined in this section.

(2) "U. S. Grade C" or "U. S. Standard" is the quality of canned beets that possess similar varietal characteristics; possess a normal flavor and odor; possess a fairly good color; are fairly free from defects; are fairly tender; and possess such uniformity of size and shape as to score not less than 70 points when scored in accordance with the scoring system outlined in this section.

(3) "Substandard" is the quality of canned beets that fail to meet the requirements of U. S. Grade C or U. S. Standard.

(c) *Recommended fill of container.* The recommended fill of container is not incorporated in the grades of the fin-

ished product since fill of container, as such, is not a factor of quality for the purpose of these grades. It is recommended that each container be filled as full as practicable with beets without impairment of quality and that the product and packing medium occupy not less than 90 percent of the total capacity of the container.

(d) *Recommended drained weight.* The drained weight recommendations in Table No. I of this paragraph are not incorporated in the grades of the fin-

ished product since drained weight, as such, is not a factor of quality for the purpose of these grades. The drained weight of canned beets is determined by emptying the contents of the container upon a No. 8 circular sieve of proper diameter and allowing to drain for 2 minutes. A sieve 8 inches in diameter is used for the No. 2½ size can (401 x 411) and smaller sizes; and a sieve 12 inches in diameter is used for containers larger than the No. 2½ size can.

TABLE NO. I—RECOMMENDED DRAINED WEIGHT, IN OUNCES, OF BEETS

Container size or designation	Whole (size) ¹		Sliced (size) ¹		Diced	Quartered cut	Julienne
	Size No. 1 to 3, incl.	Size No. 4 to 6, incl.	Small	Medium large			
8 ounce Tall	5¼	5¼	5¼	5¼	6	6	2¼
No. 1 Picnic	7¼	7	7¼	7	7¼	7¼	7
No. 303	10½	9½	9½	9½	10½	10½	8¼
No. 2	12½	12	12½	12½	13	13	11
No. 2½	19½	19	19½	19½	19½	19	15
No. 10	71	69	71	69	72	72	63
16-ounce glass	10½	9½	9½	9½	10½	10½	8¼

¹ Assorted sizes and mixed sizes to be based on drained weight for predominant size of individual units.

(e) *Sizes of beets in whole beets.* The size of any beet is determined by measuring the smallest diameter through the center transverse to the longitudinal axis of the beet. The word and number

designations of the various sizes of beets in whole beets are shown in Table No. II of this paragraph. Such table also specifies the count range per container for stated container sizes.

TABLE NO. II—SIZES OF BEETS IN WHOLE BEETS

Word designation	Number designation	Count range per container				
		No. 1 picnic	No. 2 can	No. 2½ can	No. 10 can	16 oz. glass
Tiny	(Size 1.)	25 and over	50 and over	70 and over	220 and over	35 and over
	(Size 2.)	18 to but not including 25	35 to but not including 50	50 to but not including 70	175 to but not including 220	25 to but not including 35
Small	(Size 3.)	12 to but not including 18	25 to but not including 35	35 to but not including 50	125 to but not including 175	15 to but not including 25
	(Size 4.)	8 to but not including 12	15 to but not including 25	20 to but not including 35	75 to but not including 125	10 to but not including 15
Medium	(Size 5.)	5 to but not including 8	10 to but not including 15	15 to but not including 20	50 to but not including 75	7 to but not including 10
	(Size 6.)	Less than 5	Less than 10	Less than 15	Less than 50	Less than 7
Assorted sizes, ¹						
Mixed sizes, ²						

¹ Assorted sizes is a combination of any two adjacent sizes.
² Mixed sizes is a combination of more than two adjacent sizes.

(f) *Sizes of beet slices in sliced beets.* The size of any slice in sliced beets is determined by measuring the smallest diameter of the largest surface of the slice. The word designation of the various sizes of slices in sliced beets is shown in Table No. III of this paragraph.

TABLE NO. III—SIZES OF SLICES IN SLICED BEETS

Word designation	Smallest diameter in inches
Small	Less than 2 inches.
Medium	From 2 inches up to but not including 2½ inches.
Large	Not less than 2½ inches.
Assorted sizes, ¹	
Mixed sizes, ²	

¹ Assorted sizes is a combination of any two adjacent sizes.
² Mixed sizes is a combination of all designated sizes.

(g) *Ascertaining the grade.* (1) The grade of canned beets may be ascertained by considering, in conjunction with the requirements of the respective grade, the respective ratings of the factors of color, uniformity of size and shape, absence of defects, and texture.

(2) The relative importance of each factor which is scored is expressed numerically on the scale of 100. The maximum number of points that may be given each such factor is:

Factors:	Points
(i) Color	25
(ii) Uniformity of size and shape	15
(iii) Absence of defects	30
(iv) Texture	30
Total score	100

(3) "Normal flavor and normal odor" means that the canned beets are free from objectionable flavor and objectionable odors of any kind.

(h) *Ascertaining the rating for the factors which are scored.* The essential variations within each factor which is scored are so described that the value may be ascertained for each factor and expressed numerically. The numerical range within each factor which is scored is inclusive (for example, "12 to 16 points" means 12, 13, 14, or 15 points).

(i) *Color.* (1) Canned beets that possess a good color may be given a score

of 21 to 25 points. "Good color" means that the canned beets possess a color that is uniform, bright, and typical of canned beets produced from beets of similar varietal characteristics.

(ii) If the canned beets possess a fairly good color, a score of 18 to 20 points may be given. Canned beets that fall into this classification shall not be graded above U. S. Grade C or U. S. Standard, regardless of the total score for the product (this is a limiting rule). "Fairly good color" means that the canned beets possess a color that is typical of canned beets produced from beets of similar varietal characteristics and such color may be variable or slightly dull.

(iii) Canned beets that fail to meet the requirements of subdivision (ii) of this subparagraph may be given a score of 0 to 17 points and shall not be graded above Substandard, regardless of the total score for the product (this is a limiting rule).

(2) *Uniformity of size and shape.*

(i) Canned beets that are practically uniform in size and shape may be given a score of 12 to 15 points. "Practically uniform in size and shape" has the following meanings with respect to the various styles of canned beets:

(a) *Whole beets.* The size of the individual beet is not more than 2¼ inches in diameter, measured as aforesaid; the beets may vary moderately in shape, and the diameter of the largest beet does not exceed the diameter of the smallest beet by more than 50 percent of the diameter of the smallest beet.

(b) *Quartered beets.* The beets from which the quarters have been prepared were of a size not more than 2½ inches in diameter, measured as aforesaid, and the weight of the largest quarter does not exceed the weight of the smallest quarter by more than 50 percent of the weight of the smallest quarter.

(c) *Sliced beets.* The individual slice is not more than ½ inch in thickness when measured at the thickest portion; the size of each slice is not more than 3½ inches in diameter, measured as aforesaid and the diameter of the largest slice does not exceed the diameter of the smallest slice by more than 50 percent of the diameter of the smallest slice.

(d) *Diced beets.* The units are practically uniform in size and shape with edges measuring not more than ¾ inch; and the aggregate weight of the units which are smaller than one-half of a cube and of all large and irregular units does not exceed 15 percent of the weight of all units.

(e) *Julienne, French style, or shoe-string.* The strips of beets are practically uniform in size and shape, with cross sections measuring not more than ¼ inch, and the aggregate weight of all strips less than 1½ inches in length does not exceed 25 percent of the weight of all the strips.

(f) *Cut.* The individual units weigh not less than ¼ ounce nor more than 2 ounces each and the largest unit weighs not more than four times the weight of the smallest unit. An occasional unit which is not representative of the general size of all the units is excluded in determining size variation.

(ii) If the canned beets are fairly uniform in size and shape, a score of 8 to 11 points may be given. "Fairly uniform in size and shape" has the following meanings with respect to the various styles of canned beets:

(a) *Whole beets.* The size of the individual beet is not more than 2½ inches in diameter, measured as aforesaid; the beets may vary considerably in shape, and the diameter of the largest beet is not more than twice the diameter of the smallest beet.

(b) *Quartered beets.* The beets from which the quarters have been cut were of a size not more than 3½ inches in diameter, measured as aforesaid, and the weight of the largest quarter is not more than twice the weight of the smallest quarter.

(c) *Sliced beets.* The individual slice is not more than ¾ inch in thickness when measured at the thickest portion; the size of each slice is not more than 3½ inches in diameter, measured as aforesaid; and the diameter of the largest slice is not more than twice the diameter of the smallest slice.

(d) *Diced beets.* The units are fairly uniform in size and shape, with edges measuring not more than ½ inch; and the aggregate weight of all units which are smaller than one-half of a cube and all large and irregular units does not exceed 25 percent of the weight of all units.

(e) *Julienne, French style, or shoestring.* The strips of beets are fairly uniform in size and shape, with cross sections measuring not more than ⅜ inch and the aggregate weight of all strips less than 1½ inches in length does not exceed 40 percent of the weight of all the strips.

(f) *Cut.* The individual units weigh not less than ⅓ ounce nor more than 3 ounces each and the largest unit weighs not more than twelve times the weight of the smallest unit. An occasional unit which is not representative of the general size of all the units is excluded in determining size variation.

(iii) Canned beets that fail to meet the requirements of subdivision (ii) of this subparagraph may be given a score of 0 to 7 points and shall not be graded above U. S. Grade C or U. S. Standard, regardless of the total score for the product (this is a limiting rule)

(3) *Absence of defects.* (i) The factor of absence of defects refers to the degree of freedom from defective units. Defective units are slabs, units damaged by mechanical injury, units blemished by brown or black internal or external discoloration, pathological injury or insect injury and units blemished by other means.

(a) "Slab" means any portion of a whole beet obtained in slicing possessing only one cut surface or cut surfaces of unequal areas varying in diameter more than ½ inch.

(b) "Damaged by mechanical injury" means crushed, broken, or cracked units, units with excessively frayed edges and surfaces, units with unpeeled areas, excessively trimmed units, or damaged by other means.

(c) "Blemished" means any blemish affecting an aggregate area greater than

the area of a circle ⅜ inch in diameter or any blemish which seriously affects the appearance or eating quality of the unit.

(ii) Canned beets that are practically free from defects may be given a score of 26 to 30 points. "Practically free from defects" has the following meanings with respect to the various styles of canned beets:

(a) *Whole beets.* The aggregate weight of all defective units does not exceed 15 percent of the weight of all the units, and of such 15 percent not more than one-half thereof or one beet, whichever weighs more, may consist of blemished units.

(b) *Sliced, quartered, and cut beets.* The aggregate weight of all blemished units and units damaged by mechanical injury does not exceed 15 percent of the weight of all the units, and of such 15 percent not more than one-half thereof or one slice, quarter or cut, whichever weighs more, may consist of blemished units, and with respect to sliced beets not more than 10 percent of the weight of all the units may consist of units that are slabs.

(c) *Diced, Julienne, French style, or shoestring beets.* The aggregate weight of all defective units does not exceed 10 percent of the weight of all the units, and of such 10 percent not more than one-half thereof may consist of blemished units.

(iii) Canned beets that are fairly free from defects may be given a score of 22 to 25 points. Canned beets that fall into this classification shall not be graded above U. S. Grade C or U. S. Standard, regardless of the total score for the product (this is a limiting rule) "Fairly free from defects" has the following meanings with respect to the various styles of canned beets:

(a) *Whole beets.* The aggregate weight of all defective units does not exceed 30 percent of the weight of all the units, and of such 30 percent not more than one-half may consist of blemished units.

(b) *Sliced, quartered, and cut beets.* The aggregate weight of all blemished units and units damaged by mechanical injury does not exceed 30 percent of the weight of all the units, and of such 30 percent not more than one-half thereof may consist of blemished units, and with respect to sliced beets not more than 25 percent of the weight of all the units may consist of units that are slabs.

(c) *Diced, Julienne, French style, or shoestring beets.* The aggregate weight of all defective units does not exceed 25 percent of the weight of all the units, and of such 25 percent not more than one-half thereof may consist of blemished units.

(iv) Canned beets that fail to meet the requirements of subdivision (iii) of this subparagraph may be given a score of 0 to 21 points and shall not be graded above substandard, regardless of the total score for the product (this is a limiting rule)

(4) *Texture.* (i) The factor of texture refers to the tenderness of the beets, and the degree of freedom from stringy or coarse fibers.

(ii) Canned beets that possess a tender texture may be given a score of 26 to 30 points. "Tender texture" means that the beets are tender, not fibrous, and possess a uniform character.

(iii) If the canned beets possess a fairly tender texture, a score of 22 to 25 points may be given. Canned beets that fall into this classification shall not be graded above U. S. Grade C or U. S. Standard, regardless of the total score for the product (this is a limiting rule) "Fairly tender texture" means that the beets are fairly tender, may be variable in character but not tough or hard, and may possess a few stringy or coarse fibers.

(iv) Canned beets that fail to meet the requirements of subdivision (iii) of this subparagraph may be given a score of 0 to 21 points and shall not be graded above Substandard, regardless of the total score for the product (this is a limiting rule)

(i) *Tolerance for certification of officially drawn samples.* (1) When certifying samples that have been officially drawn and which represent a specific lot of canned beets, the grade for such lot will be determined by averaging the total scores of all containers, if:

(i) Not more than one-sixth of the containers comprising the sample fails to meet all the requirements of the grade indicated by the average of such total scores, and with respect to such containers which fail to meet the requirements of the indicated grade by reason of a limiting rule, the average score of all containers in the sample for the factor, subject to such limiting rule, must be within the range for the grade indicated;

(ii) None of the containers comprising the sample falls more than 4 points below the minimum score for the grade indicated by the average of the total scores; and

(iii) All containers comprising the sample meet all applicable standards of quality promulgated under the Federal Food, Drug, and Cosmetic Act and in effect at the time of the aforesaid certification.

(j) *Score sheet for canned beets.*

Container size.....		
Container code or marking.....		
Label.....		
Net weight (ounces).....		
Vacuum (inches).....		
Drained weight (ounces).....		
Style.....		
Size of whole beets (count).....		
Size of sliced beets (diameter).....		
Factors	Score points	
I. Color.....	25	(A) 21-25 (O) 18-20 (SStd.) 10-17
II. Uniformity of size and shape.....	15	(A) 12-15 (O) 8-11 (SStd.) 0-7
III. Absence of defects.....	30	(A) 25-30 (O) 22-23 (SStd.) 10-21
IV. Texture.....	30	(A) 25-30 (O) 22-25 (SStd.) 10-21
Total score.....	100	
Normal flavor and odor.....		
Grade.....		

1 Indicates limiting rule.

Issued at Washington, D. C., this 12th day of July 1951.

[SEAL] ROY W. LENNARTSON,
Assistant Administrator Pro-
duction and Marketing Ad-
ministration.

[F. R. Doc. 51-8182; Filed, July 17, 1951;
8:47 a. m.]

[7 CFR Part 904]

[Docket No. AO-14-A 20]

HANDLING OF MILK IN GREATER BOSTON, MASS. MARKETING AREA

RECOMMENDED DECISION WITH RESPECT TO PROPOSED MARKETING AGREEMENT AND PROPOSED AMENDMENTS TO ORDER, AS AMENDED

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and applicable rules of practice and procedure, as amended, governing proceedings to formulate marketing agreements and marketing orders (7 CFR Part 900), a public hearing was conducted at Burlington, Vermont, and at Boston, Massachusetts, on April 2 to April 7, 1951, inclusive (16 F. R. 2511) upon a proposed marketing agreement and proposed amendments to the order, as amended, regulating the handling of milk in the Greater Boston, Massachusetts, marketing area. Interested parties may file written exceptions to this recommended decision with the Hearing Clerk, Room 1353, South Building, United States Department of Agriculture, Washington 25, D. C., not later than the close of business on the 10th day after publication of this decision in the FEDERAL REGISTER, except that exceptions to issue No. (5) must be filed not later than the close of business on the 3d day after publication of this decision in the FEDERAL REGISTER. Exceptions should be filed in quadruplicate.

The material issues presented on the record of the hearing were whether:

- (1) The basis for pricing Class II milk should be revised;
- (2) A weight of 33 rather than 33.48 should be used for a can of 40 percent cream in the computation of the butter-fat differential;
- (3) The marketing area should be revised to include the government installations of Fort Devens, Camp Edwards, Bedford Airport, Bedford Veterans Hospital and Framingham Veterans Hospital;
- (4) The present location differentials paid to nearby producers should be eliminated;
- (5) A method for computing a composite wage index for use in the Class I formula should be provided;
- (6) Provision should be made for the use of equivalent prices, indexes, and wage rates;
- (7) The operator of the milk plant should be made the responsible handler with respect to payment, reporting and other obligations imposed by the order for all milk and milk products received at such plant;
- (8) Producer milk under the Worcester, Springfield, or Lowell-Lawrence

orders diverted to a Boston pool plant should be excluded as producer-milk under the Boston order;

(9) The classification provision should be revised with reference to milk received from producer-handlers or disposed of to producer-handlers and buyer-handlers;

(10) The pooling provisions should be revised to exclude from the current pool computation milk of any nonpool handler in noncompliance with reference to the payment and reporting provisions;

(11) Certain other nonsubstantive changes should be made to delete obsolete language and to make the language of the Boston order conform with that of other market orders.

Findings and conclusions. Upon the basis of evidence introduced at the hearing and the record thereof with respect to the aforementioned issues it is hereby found and concluded that:

(1) The basis for pricing Class II milk should be revised.

The principal issue dealt with at the hearing concerned the level of the Class II price and the formula factors which might be used to determine the Class II price from month to month. A committee of experts in milk marketing and cost accounting had been studying the problems involved in pricing surplus milk for the Boston market for a period of approximately 2½ years. This committee had prepared a report of its studies and certain conclusions reached as a result of those studies. Members of the committee appeared at the hearing to testify with respect to the overall report and particular details of the report. Several of the committee members also appeared as representatives of interested parties and in that capacity offered testimony with respect to specific recommendations for amendments to the Boston order which would incorporate changes based on the findings of the committee.

An important part of the committee study and report dealt with the phrasing of objectives to be sought in establishing surplus prices for the Boston fluid milk market. Under the Boston order milk sold by producers to handlers is classified for pricing purposes in two classes. Class I milk, which includes fluid milk and fresh fluid milk products, is priced under the classified structure at a higher price than Class II milk, which is regarded as surplus to the fluid market and is priced at a lower figure. The use of this method of pricing a part of the market supply at lower prices is necessary in order to move the daily and monthly excesses over fluid requirements into uses as cream and manufactured dairy products.

The committee visualized as its first objective in pricing Class II milk the need for moving this surplus-priced milk in an orderly manner into dairy products of milk. Its second objective pointed to the need for returning to producers the highest practicable prices for dairy products for which marketing outlets are available in the local market.

Other important objectives defined by the committee were the need to encourage efficiency in processing and marketing and the necessity for a Class II

pricing method which would be logical and simple.

In view of the large effect of the Class II price on the blend price in the Boston market the problem of Class II pricing cannot be regarded as merely an adjunct to Class I pricing but must make its own contribution to the blend. In the year 1950 Class II milk marketed under the Boston Federal order program amounted to 45 percent of the deliveries by producers and 1 out of every 3 dollars paid to producers was for Class II milk.

Foremost among the applicable standards for establishing fluid milk prices under the Marketing Agreement Act is maintenance of an adequate supply. The amount of reserve maintained by the market has varied widely from time to time. The factors which determine the amount of reserve which should be considered adequate for the market under various circumstances needs to be examined from various points of view. Producers are primarily concerned with the effect that a large reserve supply has on the blend price. If the blend is lowered because of a large reserve, or because of too low Class II prices, producers are impelled to seek higher Class I prices. Consumers who purchase Class I milk products are affected by a large reserve supply if it is to be supported by an increased Class I price. Since the handlers' incentive for carrying reserve supplies varies under the present practice of formula pricing, with the handlers' allowance used in computing the formula price, a liberal view toward handling margins will induce a liberal view on the part of handlers in regard to the quantity of reserve supplies needed. In the long run excessive reserve supplies become a burden on consumers.

In addition to the longer-time effect of handlers' allowances for surplus milk handling on the necessary Class I and blend prices for the market, there is a potent and immediate effect on the supply of milk for the fluid market through the relative margin represented by the allowance. If handling allowances on surplus milk are lucrative as compared to earnings which can be obtained from sales of Class I milk, handlers will be encouraged to withhold needed supplies from the fluid market.

Although the committee report and several witnesses at the hearing pointed out that prices paid for milk for manufacturing uses in other parts of the country did not always reflect current changes in the value of milk for manufacturing in the Boston milk market, it was generally conceded that over longer time periods the value of milk for manufacturing in the Boston milk market could be expected to reflect the same general levels and changes as are shown in the prices paid for manufacturing milk in the principal manufacturing regions of the country. The Class II prices which have been effective under the Boston order show a very close long-time relationship to the prices paid at manufacturing milk plants. Assuming that

actual surplus prices in the Boston area have been such as to maintain sufficient processing facilities, it appears that in the long run any inefficiencies inherent in surplus handling for the Boston fluid market have been offset by freight and marketing advantages over operators of surplus area milk manufacturing plants.

An appraisal of the Class II price structure which has been effective in the market is necessary in order to determine whether or not some automatic pricing method which would reproduce substantially the same results would have been desirable as a method of pricing. Although there is some indication that prices in certain periods for surplus milk have been considered by persons in the market as out of line with actual market values, the Class II prices which have existed in the market for the past ten years appear to have accomplished the two primary objectives of the Class II pricing as set forth by the committee. The surplus milk has moved readily enough into marketing channels so that proprietary handlers have been willing to accept all of the milk delivered by producers during that period. Producers cooperative associations which operate plants are obligated to receive members milk even though the prospect for earnings on such milk is not favorable. However, there is no indication in this record that proprietary handlers have been shifting an increasing share of the handling of Class II milk to cooperative association handlers. There is no evidence in the record of homeless milk or of any period in which any substantial group of producers sought an outlet for their milk in the Boston market and could not find it. The record indicates also that adequate capacity for manufacturing surplus milk has been maintained in the market. Some increase in capacity was developed between 1949 and 1951. Several operators of surplus milk plants indicated that they have purchased or are purchasing new equipment for handling surplus milk. On the other hand the prices were apparently not so low that they retarded the flow of milk to the fluid market for any considerable time.

The level of Class II prices which can be maintained at any particular time and have milk readily accepted depends upon the uses which can be made of surplus milk in the market at that time and the value of the products made. It is recognized that Class II prices should change from time to time with indicators of the general level of prices of products in which Class II milk is utilized. Various price quotations are available which give an indication of the changes in values both of the butterfat content and the nonfat solids content of products of Class II milk. A more difficult problem is that of relating these indexes of change in market prices to the share of those market values which should be returned to dairymen as representative of the value of the raw product delivered by farmers.

The recommended method of pricing for Class II milk set forth herein has been developed by devoting attention to the refinement of the factors designed

to measure changing values with an appraisal of the resulting Class II price based on whether or not such Class II price can be expected to bring about orderly market conditions wherein the necessary reserve of Class II milk will be accepted by handlers. It seems appropriate therefore to consider first the detail of the factors which will be expected to reflect certain changes in market values and then consider the matter of the appropriate level of the price.

The order now provides that the Class II price, except for Class II butterfat used to make butter or cheddar cheese during certain months, shall be determined by a formula using market price quotations for cream and nonfat dry milk solids. Although there was some testimony in favor of using the prices paid at manufacturing plants as a measure of the value of Class II milk in the Boston market, most of the expert opinions favored the use of the cream and nonfat milk solids quotations as a basis for measuring changing market values. The record indicates that the prices quoted for cream and nonfat dry milk solids usually reflect the major changes in the value of products which can be made from Class II milk in the Boston market. The price quotations currently used in the order and recommended by the committee are: The weighted average price paid for 40 percent cream received at Boston from sources other than Boston pool handlers and the average price received by operators of manufacturing plants in the Chicago manufacturing area for nonfat dry milk solids. The committee recommended the use of spray and roller price quotations for nonfat dry milk solids whereas the present formula utilizes only the price quotation for roller process nonfat dry milk solids.

The weighted average price for cream at Boston as reported by the United States Department of Agriculture represents the price which handlers of fluid cream and processors of ice cream in the New England region pay for fluid cream purchased from sources outside the Boston pool. The record indicates that during certain periods the volume of cream purchased from outside sources has been so small that it is questionable whether the price for the small quantity purchased is representative of the price which handlers would have had to pay for a substantial quantity of cream.

For a few months in 1950 there were insufficient purchases upon which to base any quoted cream price. It is important therefore to provide in the order a method of determining an equivalent fat value in circumstances in which a cream price is not reported. The general relationship between the cream price in the Boston market and the reported price for 92-score butter sold wholesale in the Chicago market indicates that the butter price would prove to be a suitable alternative for reflecting changes in cream values when a cream price is not available. The cream price equivalent should be computed on the basis of the relationship between cream and butter prices in the three months preceeding the month in which an equivalent must be determined. The use of a

recent period in determining this relationship is used in order to reflect current market conditions. From time to time the prices paid for cream at Boston show varying amounts of premiums over the butterfat value at Chicago.

The committee recommended that a simple average of the prices paid for spray and roller process nonfat dry milk solids at manufacturing plants be used to measure the changes in value of skim milk in surplus milk rather than the roller price quotation only. The production of nonfat dry milk solids by the spray process has increased relative to the production of the roller process product in the New England States and in the United States as a whole in recent years. About two-thirds of the nonfat milk solids produced in New England in 1948 and 1949 was manufactured by the spray process. Spray prices are higher than prices paid for the roller process product. Under the present program of support prices as announced by the United States Department of Agriculture the difference in the support prices for the spray and roller product is 2 cents per pound. By averaging the prices for nonfat solids manufactured by the spray process as well as by the roller process the value of nonfat solids can be reflected more accurately since most of the product is now manufactured by the spray process.

The committee studied data which showed the quantities of dairy products which were obtained in actual manufacturing operations at pool plants where Class II milk was manufactured in the New England region. The yield of nonfat dry milk solids by the spray process per 100 pounds of skim milk was found to be 8.8 in a 20-month period studied. Yields of the roller processed product were found to be 8.52 in the same study. These figures represent more precise measurements of the quantity of skim milk which can be obtained from 100 pounds of skim milk under the conditions of manufacture in the Boston market than have been available previously. From the indicated yields of nonfat solids per 100 pounds of skim milk the committee recommended a factor of 7.85 representing the yield of nonfat solids per 100 pounds of whole milk. This factor should be adopted as a part of the pricing formula.

The present Class II formula contains a factor which represents the pounds of butterfat contained in a 40-quart can of 40 percent cream. Studies of actual weights of cans of cream marketed at Boston indicate that the weight of butterfat in a 40-quart can is somewhat less than the 33.48 pounds used in the current formula. The committee found that the content of actual cans moved in cream trade in the Boston market is approximately 33 pounds. This factor representing actual conditions should be used in the formula.

There is normally some product lost in the conversion of milk into products which provide an outlet for surplus Class II milk. The committee recommended that this recognized loss be compensated for in the formula by factors which apply to that part of the formula which would determine the total market value of the product to be sold. In normal

operations for conversion of butterfat into surplus products the committee found that there was a usual loss of about 2 percent of the product. The record indicates that this estimate of loss is reasonable. Therefore, the computation of the value of butterfat derived from Class II milk should be determined by taking into account this normal loss of the product. In the case of skim milk conversion into manufactured products the committee found that the use of a factor of 7.85 as representative of the actual quantity of nonfat dry milk solids which could be obtained from the skim milk portion of a hundredweight of whole milk would reflect the normal loss of skim product in surplus handling operations.

It is concluded that the gross market value of butterfat and skim milk should be determined according to the methods proposed by the study committee. The gross product value before deduction of the handlers' allowance would have resulted in prices computed according to the recommended method of 8 to 10 cents higher than the actual gross product values used in determining Class II prices during 1950.

With these conclusions concerning the computation of the gross product value of Class II milk it is necessary to determine then what share of the gross should be allowed handlers for their part in processing the product. The study committee collected data concerning the cost of handling Class II milk in the Boston market during the year 1948, which was interpreted to show that handlers who processed Class II milk during 1948 lost approximately 50 cents per hundredweight on all Class II milk handled. The total loss for the ten manufacturing plants studied amounted to \$1,260,434. The calculated interest on investment of 2.62 cents per hundredweight of product handled as shown by the committee to be computed at a rate of 6 percent indicates a total investment of 1½ million dollars for handling the 357½ million pounds of milk which were handled by these manufacturing plants in 1948. Therefore, the loss rate sustained in 1948 appears by this calculation to have resulted in a total loss in an amount equal to 80 percent of the total investment for handling Class II milk at these manufacturing plants.

Several committee members indicated reservations concerning the acceptance of the 50 cent loss figure as a basis of appraising the entire industry's financial position in 1948. There was a rather wide range in loss rates computed for the individual plants for which data were obtained in the study. Committee members attributed the difference in the loss rates to varying degrees of efficiency at each of these plants. However, the record contains no specific information to indicate that there were actual differences in the handling operations at the various plants which could have been regarded as reflecting different levels of efficiency in the handling of milk. Furthermore there is no evidence that the industry as a whole was grossly inefficient during the year 1948 in the handling of surplus milk. Since the handling of Class II milk is done by

manufacturing concerns who also do a fluid milk business the segregation of earnings or losses in the Class II milk business and those in the Class I milk business involves a great deal of estimate in analyzing the financial status of such handlers. If the 50 cent loss figure computed from the cost studies was actually sustained on all Class II operations during the year 1948 it would have represented a loss of more than 17 cents per hundredweight on all milk received from producers by handlers during the year. The record does indicate that cooperative associations who handled more than the average volume of Class II milk did reduce their reserves in 1948 2½ cents per hundredweight below the reserves for 1947. However, during the calendar year 1948 these same cooperatives paid out 2.2 cents over the uniform blend price to producers delivering to their plants. Producers delivering milk to proprietary handlers received payments over the uniform blend price amounting to nearly 8 cents per hundredweight. It appears then that the 17 cents per hundredweight loss figure did not actually come out of farmers' returns either in their net monthly payments or in the form of decreased reserves in their farmer-owned cooperative associations. A large part of the calculated loss on handling Class II milk then must have been offset by earnings on the handling of Class I milk during the same year.

The handlers of Class II milk also serve as the suppliers of Class I milk for fluid milk distributors who do not maintain their own reserve supply of fluid milk. The handlers who maintain this reserve supply charge buyers varying rates over the Class I price for the service. Average margins for each month during 1948 varied from a high of 49.6 cents to 29.4 cents. Average mark-ups on Class II milk varied from 77½ cents to 20.7 cents. The individual highs and lows during each month show an even greater range.

If the claim that handlers should have been entitled to 50 cents more per hundredweight for handling Class II milk during 1948 were to be granted, it is important to consider just how this adjustment would have affected the entire earnings of handlers generally. It is not reasonable to assume that if Class II handling operations had been more attractive during 1948 the mark-ups on bulk Class I and Class II milk would have been lower. It is more likely that an unattractive prospect in handling Class II milk would have a tendency to restrain mark-ups on bulk sales during the year. If the additional allowance then could not be expected to have an adverse effect on the earnings from the Class I part of the business the full amount of the 50 cent adjustment would have been available to handlers for distribution as earnings during the year 1948. Operating cooperative associations which had a large proportion of Class II milk would not have had the full amount to distribute to their members since the record does indicate that net overpayments by such handlers to members failed to equal the reduction in re-

serves from 1947 to 1948 by about three-tenths cent per hundredweight.

Information is not available from the record to conclude that 17 cents per hundredweight was needed by handlers in 1948 to maintain handling and processing facilities sufficient to take care of the fluid market and the necessary reserve of Class II milk for the market. The record does show that there is adequate capacity for handling surplus milk in 1951. It shows that the capacity has been increased somewhat since 1949.

It appears from the above appraisal of the Class II loss figures computed by the study committee for operations during the year 1948 that the calculated loss figures can not be utilized independently. Although some refinement of this particular cost figure could be developed with further consideration of certain factors affecting the cost of processing surplus milk in the Boston market, there appears to be no practical method of applying the long-time influence of costs to the determination of formula prices. Prices must be responsive to current conditions which in the short run may not conform to current costs. The committee examined various series of data which are regularly published as indicators of changes in the prices of certain classes of goods with the purpose of recommending some series or group of series which could be used to estimate anticipated changes in costs of handling surplus milk. These indexes of cost rate changes such as labor-wage rates, construction costs and wholesale price levels were compared with data on cost rates obtained from certain handlers operating in the Boston market. It was observed that certain indexes of cost rates which are regularly published reflected about the same changes as those which were indicated from the records of the handlers. Lacking any information on adjustments which take place in cost items which are not reflected by the change in the price or cost rate for such items, the committee calculated an average index of cost upon the rates alone. The committee suggested that this index of cost rate changes be used to reflect changes in the allowance for handling surplus milk. Several members of the committee indicated that the effect of volume upon changing unit costs needed to be used as well as the indexes of changes in the cost rates. However, the committee as a whole had abandoned the idea of including a volume cost adjustment since they recognized that they had not yet been able to compute the effect of volume on the income side of any profit and loss statement.

The chances of any formula mechanism producing a reasonable price over a period of time depends largely on whether or not the formula factors chosen reflect the items of greatest importance in bringing about changes in the market situation. It appears from the studies of the committee that the combined cost rate index is not among the most important elements affecting costs or necessary changes in the surplus price structure. For example, the change in the average index of cost rates indicated a reduction of the han-

handlers' costs from December 1948 to April 1950 of 0.8 cent. On the other hand, the influence of volume according to the calculations of the committee for the 12 months ending April 30, 1950, as compared to the 12 months ending December 31, 1948, would have reduced costs slightly more than 20 cents. If the price were appraised on the basis of margins on Class I milk in excess of receiving station costs the committee report indicates that the excess of margins over calculated receiving station costs for the year ending December 1948 was 11.2 cents per hundredweight whereas for the 12 months ending April 1950 the difference was 4.3 cents. This represents a difference in the relative advantage of handling bulk Class I milk of 6.9 cents. The index of cost rate changes therefore, appeared in this period not to have been a primary item affecting the necessary allowance from gross product values for the handling of surplus milk.

The index of cost rate changes bears little resemblance to actual changes which were effective in Class II allowances during the past 10 years. For example, the cost rate index would have indicated a 33 percent increase in the handlers' allowance from 1945 to 1947. Although there was some modification of the Class II formula during this period there were no substantial changes made in the handlers' allowance. There is nothing in the record to indicate that the 1947 allowance should have been 33 percent greater or if the 1947 allowance were assumed to be correct that the 1945 figure was obviously too high. Since we have no evidence that handlers' allowances in the past 10 years have been so out of line as to produce disorderly market conditions it is not feasible to recommend as a basis for future changes in prices a factor which would have produced substantially different results in the past.

The record indicates that during 1950 surplus milk was marketed in an orderly manner under the existing price structure. There is no basis for finding that marketing conditions in 1951 can be expected to be less advantageous to handlers processing surplus milk than they were in 1950. The indicated total quantity of surplus milk to be marketed is expected to be somewhat less than during the year 1950. The demand for dairy products is stronger this year than last. The record indicates that Boston handlers received in 1951 prices for nonfat dry milk solids about $\frac{3}{4}$ cents per pound higher than prices received by manufacturing plants in the Chicago milkshed, whereas, during 1950 the prices received by Boston handlers at country points were approximately equal to the prices received by manufacturing plants in the Chicago area. The higher price received by Boston handlers relative to the price quoted at country manufacturing points in the Chicago area represents additional income to handlers calculated at yield rates recommended by the committee of approximately 5 cents per hundredweight.

If the prices received by Boston handlers for nonfat dry milk solids continue to be above the Chicago area price on which the Class II price is computed

this additional income should be accounted for in the formula. However, there is not available a regularly published series of the prices received for nonfat dry milk solids by Boston handlers and it cannot be concluded from the record that the current relationship will continue throughout the year. It is therefore concluded that the allowance factor for 1951 should not assume the receipt of this increased income, but some consideration should be given to adjusting the allowance for this and other factors prior to the flush production season of 1952.

In concluding that the surplus price structure during 1950 resulted in prices generally in line with the basic objectives of orderly marketing, it is recognized that there were some differences during 1950 in the net returns to various groups of producers. The record indicates that producers who delivered milk to cooperative associations which disposed of a large part of their product as fluid Class I milk obtained the largest excesses of payments over the blend price. The same circumstance occurred in 1948 and 1949. This would tend to indicate that proprietary handlers who purchased Class I fluid milk from these cooperative associations paid somewhat more than the order minimum prices for bulk Class I milk. Since these handlers had Class II milk in their own operations, it may be presumed that they preferred to pay the higher price for additional bulk milk rather than relinquish any of the Class II milk which they received directly from producers for processing. Although it might be concluded from this evidence that the handling allowance on Class II milk has been too liberal and has therefore fostered payment of premiums to certain groups of producers, the evidence in this respect is not conclusive enough to warrant a reduction in the allowance at the present time.

The net returns to producers delivering to cooperative associations who have a large share of the Class II for the market and producers who delivered to proprietary handlers amounted to approximately the uniform blend price during 1950. Although actual payments to the producers delivering to operating cooperative associations with large amounts of surplus were a little over 1 cent below the uniform price in 1950, indicated increases in reserves would have offset this figure.

Another consideration in appraising the relative returns to groups of producers is the general practice of producers' bargaining associations of deducting a stated amount for the conduct of the bargaining associations' activities where cooperative associations which operate their own plants generally do not make a specific deduction named for this purpose. The amounts of these deductions vary of course with the different associations and result in some differences in net return between association members where the service charge is stated and where it is merely a part of the operating costs of the handling operation.

In making comparisons of net returns to producers, official notice is taken of the fact that a fund has been accumu-

lated since February 1949 by court order in the amount of 1 cent per hundredweight on all milk delivered by members of producers' bargaining associations and 2 cents per hundredweight on all milk delivered by members of producers' cooperative associations which operate plants. These funds have been accumulated under court order pending the decision of the United States Supreme Court concerning the legality of such payments to cooperative associations as provided in § 904.10.

In line with the foregoing findings it is concluded that the committee's recommendations with respect to the method for computing the gross butterfat and skim milk values in the Class II formula be adopted and that an offset be made in the handlers' allowance to result as nearly as possible in a formula which would have produced in 1950 the same Class II price as that which actually existed.

Although there is an indication of increased income from Class II products in 1951 relative to the price quotations used, it cannot be determined clearly from the evidence available that such income will not be offset by other factors.

There was some testimony in the hearing record which indicated that it may be desirable not to rely exclusively upon the hearing method for making adjustments in the handlers' allowance. There was general support for incorporating into the Class II price structure some method whereby the handlers' allowance could be changed automatically from time to time. The committee of experts recommended an index of changes in cost rates for this purpose. However, as it has been indicated in the foregoing the changes in cost rates do not represent the most widely variable influences on the Class II price. It has been found that Class II prices in the Boston fluid milk market have varied over long periods generally in line with changes in prices paid at manufacturing milk plants. From month to month the changes have been rather large but variations tend to average out over a 12-month period.

A series which shows a close relationship to the Boston Class II price is the average price paid for milk for manufacturing purposes as reported by the United States Department of Agriculture for a representative group of milk manufacturing plants. The prices are based on milk used in the manufacture of Cheddar cheese, evaporated milk, butter, and nonfat milk solids. In 1950 the Boston Class II price adjusted to an equivalent butterfat test varied from this average price less than one-half cent for the year as a whole although month-to-month variations were from minus 19 cents to plus 20 cents. It is obvious that the seasonal pattern of the two price series is greatly different. Therefore, the comparison of the two series should be made on the basis of a 12-month moving average.

The seasonally lower price for Class II milk in the Boston market in the flush production months and the gradually increasing price relative to market value in the fall and winter months tends to encourage the orderly marketing of sur-

plus milk. In the season of large surpluses handlers are encouraged by the lower prices to accept milk for manufacturing. When supplies are seasonally short in the fall, the higher prices discourage manufacturing and consequently encourage the movement of needed supplies to the fluid market. The record indicates that the present plan of seasonal pricing should be continued.

Any substantial drop in the Class II price for a considerable time relative to the price paid for manufacturing milk would generally indicate that the Class II formula factors were not reflecting accurately the value of milk for manufacturing in the Boston area. It is concluded, therefore, that the handlers' allowance should be adjusted whenever the Class II price adjusted to the butterfat test for which prices paid for manufacturing milk is reported by the United States Department of Agriculture is less than the manufacturing milk price by 5 cents or more on a 12-month average basis. In order to avoid a temporary adjustment the change in the handlers' allowance should be delayed originally until the month following that in which the 12-month average has shown a 5-cent divergence.

It is recognized that an automatic adjustment based on the relationship between these two price series for the 12 preceding months would not always bring about the most desirable results. Neither, apparently, does an allowance in terms of a fixed amount per hundredweight. The deferment of the adjustment until it reaches 5 cents per hundredweight will provide time to reappraise the price by the hearing procedure if there is evidence of some unusual circumstances which warrants the continuance of the lower price.

The automatic allowance adjustment will provide a guide by which handlers can calculate the probable price in relation to manufacturing milk values. Thus some of the uncertainty concerning buying prices can be removed. Unusual and emergency conditions can still be dealt with through the hearing procedure.

It may be contended that the automatic adjustment feature should operate to increase the allowance when Boston Class II prices are substantially higher than manufacturing milk prices. If the volume of surplus milk remained at a relatively high level in the Boston area, it would appear logical that a downward adjustment should be made when prices paid for manufacturing milk are consistently less than Boston Class II prices. However, it is generally during periods of milk shortages in the Boston area and small volume Class II use that the Boston Class II price has been higher than the manufacturing milk price. In those periods a lower Class II price would have reduced the incentive to move milk to the fluid market and would not be reasonable. It is concluded, therefore, that the changes as recommended herein are all that can be supported by the evidence and analysis available in this record.

(2) The factor of 334.8 in the butterfat differential price computation should be changed to 330. The studies made by

the committee examining the Class II price factors shows that the butterfat contained in a can of 40 percent cream is approximately 33 pounds rather than 33.48 pounds. The butterfat differential represents the value of one-tenth pound of butterfat at the weighted average cream price less the freight on cream shipped 200 miles to the Boston market. The revision in this factor would increase the butterfat differential about one-tenth cent. According to the findings of the study, the proposed factor would reflect more accurately the actual value of butterfat in terms of its use as fluid cream. Since the butterfat differential has been related historically to its fluid cream value, the proposed factor should be adopted.

(3) The proposal to extend the Boston marketing area to include specified military installations should not be adopted. The present marketing area includes 37 contiguous cities and towns including and surrounding the city of Boston. Producers proposed that the marketing area be redefined to include the noncontiguous territory comprising the military installations at Fort Devens, Camp Edwards, Bedford Airport, Bedford Veteran's Hospital, and Cushing Memorial Hospital. They contend that the Boston pool carries the only reserve supply of milk in New England sufficient to cover these contracts and, accordingly, Boston handlers have historically supplied these military installations. They further contend that unless these installations are included in the marketing area regulated Boston handlers are in danger of losing this market to unregulated handlers.

The record appears clear that proponents' primary interest is in guaranteeing to the Boston pool producers the returns from certain out-of-area concentrated volumes of Class I sales. The inclusion of the military installations in the Boston marketing area would give Boston producers exclusive rights to the returns from sales to such installations since returns from equivalent purchases of Boston pool milk or payments to the pool on outside milk would accrue to Boston producers and not to the individual producers of the unregulated handlers. Proponents contend that a requirement to purchase pool milk in the amount of Class I sales or to make an equalization payment of the difference between the Class I and Class II prices on the volume of outside milk used as Class I would enact no undue hardship on unregulated handlers since such handlers can purchase unregulated milk at the Boston blend rather than at class prices. Since there is a substantial difference between the blend price and the Class II price, the payment required of unregulated handlers would prevent such handlers from making contract bids for amounts larger than the quantity of milk which they could purchase from farmers at the Class II price.

Proponents for the area expansion contend that successful bidders on some of the most recent contracts could not have shown a profit if the milk were purchased at Boston class prices. They point out inconsistently that Boston pool milk has been a prominent source of sup-

ply for the successful bidders of such contracts.

The record fails to show that Boston handlers have supplied these military installations continuously from pool sources in the past. The bulk of the business at these installations is awarded on a contract bid basis and while Boston handlers have held the contracts from time to time, such occasional sales to these noncontiguous areas make them no more a part of the Boston market than the many New England cities which receive regularly a part of their supply from Boston pool supplies.

(4) No change should be made at this time in the location differentials required to be paid to nearby producers. Certain producer interests proposed that § 904.9 (e) of the order, which sets forth the conditions for and amount of location differentials to be paid, be deleted. However, in support of their proposal they presented no material facts different from those considered in establishing specified location differentials as a part of the order provisions.

(5) The order should contain provision for computing a composite wage rate index which would be similar to the monthly composite farm wage rates which have been utilized in the calculation of the Class I formula price since the adoption of that formula April 1, 1948. The United States Department of Agriculture is no longer collecting the information from which the monthly composite farm wage rate was computed and that series has been discontinued. Therefore it is necessary to compute an equivalent composite farm wage rate.

Wage rates are reported quarterly by the United States Department of Agriculture as rates per month with board and room, per month with house, per week with board and room, per week without board or room, and per day without board or room. These rates should be expressed as a simple average monthly composite rate after converting the weekly rates to a monthly equivalent by multiplying by 4.33 weeks and converting the daily rate to a monthly basis by using 26 working days per month. The simple average monthly composite farm wage rates for each of the four states used in the Class I formula should be combined according to the weights presently used. In order to express this weighted average farm wage rate as an index on the same basis as that used in converting the previously published monthly composite farm wage rate for computation of the formula price, it is necessary to divide the milkshed average composite wage rate figure by .6394. This factor is determined from the relationship during the 3 years, 1948 through 1950, of the milkshed average wage rate figure derived from the currently published data to the series which was previously published and used in the computation of the formula price.

(6) The proposal to permit the Secretary to determine an equivalent to be used in lieu of any price, index or wage rate required in computing class prices and for other purposes set forth in the order provisions and which is not available by the time the market administrator is required to announce such price

or perform such act should be adopted. Under the present order provisions the Secretary's authority to determine equivalents is limited to prices of any milk product. The nonavailability of any other price, index, or wage rate needed by the market administrator to compute class prices or perform other specified functions would appear to preclude the market administrator from performing such duties. The adoption of this proposal will recognize the responsibility of the Secretary in acting when certain required information is not available and will facilitate the operation of the order by assuring the prompt announcement of prices and butterfat differentials and the timely payment to producers of the full amounts due them for the milk delivered to order handlers.

(7) The proposal to amend the order to provide that the operator of a milk plant be the responsible handler with respect to payment, reporting and other obligations under the order for all milk and milk products received at such plant should be adopted. The operator of a plant is the logical person to be held responsible for maintaining an accurate record of the weight and test of milk received from producers. The plant operator has control of the receiving function and should be responsible for maintaining proper records of such receipts. Since payment would be made on the basis of weights and tests of the receiving plant, as verified by the market administrator, it follows that the operator of such plant should be held responsible for paying producers and for other obligations imposed by the order upon a handler. Milk temporarily diverted to a nonpool plant from the plant of a handler for the account of such handler should be considered as having been received at the pool plant since producers of such milk would ordinarily be regular suppliers of the market and as such should be assured the market blend price for their milk.

It was proposed in connection with this proposal that bulk milk of dairy farmers received at a pool plant for processing and for which an equivalent volume of processed milk is returned to the dairy farmer be considered exempt milk. There was no objection to the exemption of such milk from the market pool. The number of persons and the quantity of milk involved in this type of transaction is small. It is concluded therefore that such milk of a dairy farmer which is delivered to a pool handler for processing and for which an equivalent volume of bottled milk is returned should be considered exempt milk and not included in the pool.

In cases where the volume of milk received from a dairy farmer is in excess of the volume of bottled milk returned such excess milk disposed of to the pool handler may be regarded as producer milk and be pooled and paid for as such.

The processing facilities of pool handlers are sometimes employed by producer handlers and operators of unregulated plants to homogenize milk or package milk under emergency conditions. To the extent that such processing operations apply to milk which would not otherwise be Class I sales of a pool

handler, the payments required on outside milk should not be applicable. The record indicates that these processing operations involving milk from nonpool sources do not result in the sale of unpriced Class I milk in the marketing area except that of producer-handlers which has been exempted from pooling. The handler who receives such milk for processing should be responsible for showing that it was handled in such a way as to maintain exempt status and should pay the expense of the market administrator's verification of such records.

(8) The proposal to amend the producer definition to provide that a dairy farmer who is a producer under the Lowell-Lawrence, Worcester, or Springfield orders shall not be a producer under the Boston order with regard to any of his Lowell-Lawrence, Worcester, or Springfield pool milk, as the case may be, diverted to a Boston pool plant should be adopted. Under the present order provisions such diversions could result in a dairy farmer being considered a producer both at the plant from which his milk is diverted and at the Boston pool plant. Such a situation could involve unreasonable financial costs to the handler if he were required to pool the milk under both pools. The adoption of the proposal will facilitate the handling of surplus milk by providing additional alternative outlets for the surplus milk in secondary markets and during all except the months of April through July could not adversely effect the interests of either the secondary market or Boston producers. However, such diversions would ordinarily most likely occur during the flush season of production when milk both in the secondary and Boston markets may be in excess supply. During these months of April through July in order to facilitate the disposition of surplus milk Boston handlers are allowed a butter and cheese adjustment on the butterfat disposed of for butter and cheese. Any Lowell-Lawrence, Worcester, or Springfield milk disposed of to a Boston pool plant further taxes existing manufacturing facilities and increases the volume of Boston producers' milk on which the butter and cheese adjustment is applicable. In order to prevent financial loss on the part of Boston producers as a result of the handling of Lowell-Lawrence, Springfield, or Worcester producer milk it should be provided that the Boston handler pay into the Boston pool, for distribution to Boston producers, the amount of the butter-cheese adjustment on the volume of Lowell-Lawrence, Springfield, or Worcester diverted milk utilized.

(9) The classification provisions should be amended to provide that transfers of milk to producer-handlers be classified as Class I. The order presently provides that sales of milk to a regulated plant, which includes the plant of a producer-handler, be classified on the basis of the actual use of such milk at such plant. It is obviously in the producers-handlers' interest under that privilege to use his own milk in Class I and claim the lowest class utilization in his plant for his purchases from pool handlers.

Producer-handlers ordinarily have only Class I operations and hence any purchases of pool milk in most cases would be for Class I users. They do not share their high Class I utilization with other producers and regular producers should not be forced to take a Class II classification or to share in such a classification when producer-handlers need additional milk to supplement their own supplies. In cases of dual operations the Class II part of the business would ordinarily be fluid cream and ice cream which can be purchased from pool handlers without penalty as cream, condensed milk, and nonfat dry milk solids, all Class II products.

Milk moved by buyer-handlers to other plants should continue to be classified as Class I. Buyer-handlers get no milk direct from producers but purchase all of their requirements for fluid products from other handlers. Accordingly they are in a position to know exactly what their daily procurement requirements are. The present provisions of the order do not limit purchases for Class II use in the buyer-handler plant, but merely restrict the transfer of milk to a third plant for other than Class I use. Proponents contend that this works a hardship in the case of route returns and excess supplies. However, unless the buyer-handler bottles in excess of his requirements the volume of route returns would normally be insufficient to require processing through another plant. Buyer-handlers should not be encouraged to buy long and transfer milk to nonpool plants for Class II use which would otherwise be available for Class I use.

Receipts of skim milk from producers-handlers should be classified as Class II up to the total quantity of fluid milk products other than cream used as Class II milk in the plant to which it is transferred. Under the present provisions of the order such receipts may be classified as Class I if so utilized. Since producers-handlers ordinarily have a high Class I utilization which they do not share with other producers in the market, other producers should not be required to shoulder a share of producers-handlers' surplus milk. Any sales of skim milk by a producer-handler to a pool handler would logically be milk in excess of such producer-handlers own Class I requirements. The assignment of receipts of skim milk from producers-handlers to the lowest available use class protects regular producers by assuring the utilization of their milk in the highest available use.

(10) The proposal to exclude from each current pool computation milk of any nonpool handler who is not in compliance with the reporting or payment provisions for any prior month should be adopted. The order presently has such a provision with reference to a pool handler in noncompliance. However, a nonpool handler in violation because of not reporting or nonpayment of assessments due continues to be carried in the current pool computation. Under such arrangement it is possible that indebtedness to the pool could reach the point of threatening the solvency of the pool. Exclusion of the milk of such nonpool

handlers from the current pool computation assures the solvency of the settlement pool and at the same time does not relieve such nonpool handler of any of his obligations or responsibilities under the order.

The other proposals considered at the hearing involve nonsubstantive changes which merely delete obsolete language or clarify the language of the present provisions. There was no opposition to their adoption and it is accordingly concluded that they should be adopted.

General findings. (a) The proposed marketing agreement and the order, as amended and as hereby proposed to be further amended, and all of the terms and conditions thereof will tend to effectuate the declared policy of the act:

(b) The proposed marketing agreement and the order, as amended and hereby proposed to be further amended, regulates the handling of milk in the same manner as, and is applicable only to persons in the respective classes of industrial and commercial activity, specified in the said tentative marketing agreement upon which the hearings have been held; and

(c) The prices calculated to give milk produced for sale in said marketing area a purchasing power equivalent to the purchasing power of such milk as determined pursuant to section 2 and section 8 (a) of the act are not reasonable in view of the price of feed, available supplies of feed, and other economic conditions which effect market supply and demand for such milk, and the minimum prices specified in the proposed marketing agreement and the order, as amended and as hereby proposed to be further amended, are such as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest.

Ruling on proposed findings and conclusions. Briefs were filed on behalf of interested persons. The briefs contained suggested findings of facts, conclusions, and arguments with respect to the proposals considered at the hearing. Every point covered in the briefs was carefully examined along with the evidence in the record in making the findings and reaching the conclusions hereinbefore set forth. To the extent that the suggested findings and conclusions are inconsistent with the findings and conclusions contained herein, the request to make such findings or to reach such conclusions is denied.

Recommended marketing agreement and order. The following proposed amended order is recommended as the detailed and appropriate means by which these conclusions may be carried out. The proposed amendments to the marketing agreement are not included because the regulatory provisions thereof would be the same as those contained in the proposed amendments to the order:

DEFINITIONS

§ 904.1 *General definitions.* (a) "Act" means Public Act No. 10, 73d Congress, as amended and reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended.

(b) "Greater Boston, Massachusetts, marketing area" also referred to as the

"marketing area", means the territory included within the boundary lines of the following Massachusetts cities and towns.

Arlington	Newton
Belmont	Peabody
Beverly	Quincy
Boston	Reading
Braintree	Revere
Brookline	Salem
Cambridge	Saugus
Chelsea	Somerville
Dedham	Stonham
Everett	Swampscott
Lexington	Walden
Lynn	Waltham
Malden	Watertown
Marblehead	Wellesley
Medford	Weymouth
Melrose	Winchester
Milton	Winthrop
Nahant	Woburn
Needham	

(c) "Month" means a calendar month.

(d) "Marketing years" means the twelve months' period from August 1 of each year through July 31 of the following year.

(e) "Emergency period" means the period of time for which the market administrator declares that an emergency exists in that the milk supply available to the marketing area from producers is insufficient to meet the demand for Class I milk in the marketing area.

§ 904.2 *Definitions of persons.* (a)

"Person" means any individual, partnership, corporation, association, or any other business unit.

(b) "Secretary" means the Secretary of Agriculture of the United States or any officer or employee of the United States who is, or who may hereafter be, authorized to exercise the powers and perform the duties of the Secretary of Agriculture.

(c) "Dairy farmer" means any person who delivers bulk milk of his own production to a plant.

(d) "Dairy farmer for other markets" means any dairy farmer whose milk is received by a handler at a pool plant during April, May, June, or July from a farm from which the handler, an affiliate of the handler, or any person who controls or is controlled by the handler, received nonpool milk on more than 3 days in any one of the preceding months of August through March. The term shall not include a person who was a producer-handler or a person delivering to a New York order pool plant during any of the preceding months of August through March.

(e) "Producer" means any dairy farmer whose milk is delivered from his farm to a pool plant, except a dairy farmer for other markets and a dairy farmer with respect to exempt milk. The term shall also include a dairy farmer who ordinarily delivers to a handler's pool plant, but whose milk is diverted to another plant, if the handler, in filing his monthly report pursuant to § 904.32 reports the milk as receipts from a producer at such pool plant and as moved to another plant. The term shall not apply to a dairy farmer who is a producer under the Springfield, Lowell-Lawrence, or Worcester orders, with respect to milk diverted from the plant

subject to the other order to which the dairy farmer ordinarily delivers.

(f) "Handler" means any person who, in a given month, operates a pool plant, or any other plant from which fluid milk products are disposed of, directly or indirectly, in the marketing area during the month.

(g) "Pool handler" means any handler who operates a pool plant.

(h) "Buyer-handler" means any handler who operates a bottling or processing plant from which more than 10 per cent of his total receipts of fluid milk products other than cream are disposed of by him as Class I milk in the marketing area, and whose entire supply of fluid milk products is received from other handlers.

(i) "Producer-handler" means any person who is both a handler and a dairy farmer and who receives milk of his own production only from farms located within 80 miles of the State House in Boston, and who receives no milk other than exempt milk from other dairy farmers except producer-handlers.

(j) "Dealer" means any person who operates a plant at which he engages in the business of distributing fluid milk products, or manufacturing milk products, whether or not he disposes of any fluid milk products in the marketing area.

(k) "Consumer" means any person to whom fluid milk products are disposed of, except a dealer. The term "consumer" includes, but is not limited to, stores, restaurants, hotels, bakeries, hospitals and other institutions, candy manufacturers, soup manufacturers, livestock farmers, and similar persons who are not necessarily the ultimate users. The term also includes any dealer in his capacity as the operator of any of these establishments, and in connection with any other use or disposition of fluid milk products not directly related to his operations as a dealer.

§ 904.3 *Definitions of plants.* (a)

"Plant" means the land, buildings, surroundings, facilities, and equipment, whether owned or operated by one or more persons, constituting a single operating unit or establishment for the receiving, handling, or processing of milk or milk products.

(b) "City plant" means any plant which is located not more than 40 miles from the State House in Boston.

(c) "Country plant" means any plant which is located more than 40 miles from the State House in Boston.

(d) "Receiving plant" means any milk plant currently used for receiving, weighing or measuring, sampling, and cooling milk received there directly from dairy farmers' farms and for washing and sterilizing the milk cans in which such milk is received, and at which are currently maintained weight sheets or other records of dairy farmers' deliveries.

(e) "Pool plant" means any receiving plant which, in a given month, meets the conditions and requirements set forth in § 904.20 for being considered a pool plant in that month.

(f) "Regulated plant" means any pool plant; any of a pool handler's plants which is located in the marketing area

and from which Class I milk is disposed of in the marketing area; and any plant operated by a handler in his capacity as a buyer-handler or producer-handler.

(g) "Distributing plant" means any plant from which Class I milk in the form of milk is disposed of to consumers in the marketing area without intermediate movement to another plant.

(h) "New York order pool plant" means any plant designated as a pool plant in accordance with the provisions of Order No. 27, issued by the Secretary, regulating the handling of milk in the New York metropolitan marketing area.

§ 904.4 *Definitions of milk and milk products.* (a) "Milk" means the commodity received from a dairy farmer at a plant as cow's milk. The term also includes milk so received which later has its butterfat content adjusted to at least one-half of 1 percent but less than 16 percent, frozen milk, and reconstituted milk.

(b) "Cream" means that portion of milk, containing not less than 16 percent of butterfat, which rises to the surface of milk on standing, or is separated from it by centrifugal force. The term "cream" also includes sour cream, frozen cream, and milk and cream mixtures containing 16 percent or more of butterfat.

(c) "Skim milk" means that fluid product of milk which remains after the removal of cream, and which contains less than one-half of 1 percent of butterfat.

(d) "Fluid milk products" means milk, flavored milk, cream, skim milk, flavored skim milk, cultured skim milk, buttermilk, and concentrated milk, either individually or collectively.

(e) "Pool milk" means milk, including fluid milk products derived therefrom, which a handler has received as milk from producers.

(f) "Outside milk" means:

(1) All milk received from dairy farmers for other markets.

(2) All fluid milk products other than cream received at a regulated plant from an unregulated plant up to the total quantity of nonpool milk received at the unregulated plant, except exempt milk, emergency milk and receipts from New York order pool plants which are assigned to Class I pursuant to § 904.29.

(3) All Class I milk, after subtracting receipts of Class I milk from regulated plants, which is disposed of to consumers in the marketing area from an unregulated plant, without its intermediate movement to another plant.

(g) "Emergency milk" means fluid milk products, other than cream, received at a regulated plant during an emergency period from a plant which was an unregulated plant in the month immediately preceding the month in which the emergency period became effective.

(h) "Concentrated milk" means any unsterilized liquid milk product, other than those products commonly known as evaporated milk and sweetened condensed milk, which is obtained by the evaporation of water from milk and milk to which any other milk product may be

added in the process of manufacture. For purposes of this part the weight of the fluid milk products used to produce the concentrated milk shall be used rather than the actual weight of the concentrated milk.

(i) "Exempt milk" means bulk milk which is received at a plant for processing and bottling from another plant or from the dairy farmer who produced it, and for which an equivalent quantity of packaged milk is returned during the same month. This definition shall not include milk transferred between two pool plants.

MARKET ADMINISTRATOR

§ 904.10 *Designation of market administrator.* The agency for the administration of this subpart shall be a market administrator who shall be a person selected by the Secretary. Such person shall be entitled to such compensation as may be determined by, and shall be subject to removal at the discretion of the Secretary.

§ 904.11 *Powers of market administrator.* The market administrator shall have the following powers with respect to this subpart:

(a) To administer its terms and provisions;

(b) To make rules and regulations to effectuate its terms and provisions;

(c) To receive, investigate, and report to the Secretary complaints of violations of its terms and provisions; and

(d) To recommend to the Secretary amendments to it.

§ 904.12 *Duties of the market administrator.* The market administrator, in addition to the duties described in other sections of this subpart, shall:

(a) Within 45 days following the date upon which he enters upon his duties, execute and deliver to the Secretary a bond conditioned upon the faithful performance of his duties, in an amount and with sureties thereon satisfactory to the Secretary.

(b) Employ and fix the compensation of such persons as may be necessary to enable him to exercise his powers and perform his duties;

(c) Pay, out of the funds provided by § 904.77, the cost of his bond, his own compensation, and all other expenses necessarily incurred in the maintenance and functioning of his office;

(d) Keep such books and records as will clearly reflect the transactions provided for in this order and surrender the same to his successor, or to such other person as the Secretary may designate;

(e) Prepare and disseminate for the benefit of producers, consumers, and handlers, statistics and information concerning the operation of this subpart;

(f) Promptly verify the information contained in the reports submitted by the handlers; and

(g) Give each of the producers delivering to a plant as reported by the handler prompt written notice of their actual or potential loss of producer status for the first month of the marketing year in which the plant's status has changed or is changing to that of a nonpool plant.

CLASSIFICATION

§ 904.15 *Classes of utilization.* All milk and milk products received by a handler shall be classified as Class I milk or Class II milk. Subject to §§ 904.16, 904.17, and 904.18, the classes of utilization shall be as follows:

(a) Class I milk shall be all fluid milk products the utilization of which is not established as Class II milk.

(b) Class II milk shall be all fluid milk products the utilization of which is established:

(1) As being sold, distributed, or disposed of other than as or in milk and other than as or in concentrated milk for fluid consumption, flavored milk or flavored skim milk, buttermilk, or cultured skim milk, for human consumption; and

(2) As plant shrinkage, not in excess of 2 percent of the volume handled.

§ 904.16 *Classification of milk and milk products utilized at regulated plants of pool handlers.* All milk and milk products received at a regulated plant of any pool handler shall be classified in accordance with their utilization as such plant, except as provided otherwise in § 904.17.

§ 904.17 *Classification of fluid milk products, other than cream, moved to other plants.* Any fluid milk product, except cream, which is moved from the regulated plant of a pool handler to any other plant shall be classified as follows:

(a) If moved to any other regulated plant except a producer-handler's plant, it shall be classified in accordance with its utilization at the plant to which it is moved.

(b) If moved to a producer handler's plant or an unregulated plant, it shall be classified as Class I milk up to the total quantity of milk, or the corresponding milk product so moved, which is utilized as Class I milk at that plant.

(c) If moved to a regulated plant of a nonpool handler or to an unregulated plant, and thence to another such plant, it shall be classified as Class I milk.

§ 904.18 *Responsibility of handlers in establishing the classification of milk.* In establishing the classification of any milk received by a handler from producers, the burden rests upon the handler who receives milk from producers to account for the milk and to prove that such milk should not be classified as Class I milk.

DETERMINATION OF POOL PLANT STATUS

§ 904.20 *Basic requirements for pool plant status.* Subject to the provisions of § 904.21 each receiving plant shall be a pool plant in the first month in which the handler operates it in conformity with the basic requirements specified in this section, and shall thereafter be a pool plant for the remaining months of the marketing year in which it is operated by the same handler. The basic requirements for acquiring pool plant status shall be as follows:

(a) A majority of the dairy farmers delivering milk to the plant hold certificates of registration issued pursuant to Chapter 94, Section 16C and 16G, of the Massachusetts General Laws.

(b) The handler holds a license which has been issued by the milk inspector of a city or town in the marketing area, pursuant to Chapter 94, Section 40, of the Massachusetts General Laws, or a majority of the dairy farmers delivering milk to the plant are approved by such an inspector as sources of supply for milk for sale in his municipality.

(c) Class I milk in the form of milk is disposed of in the marketing area from the plant.

(d) The handler's total Class I milk in the marketing area exceeds 10 percent of his total receipts of fluid milk products other than cream.

§ 904.21 *Conditions resulting in non-pool plant status.* Each receiving plant shall be a nonpool plant under any of the following conditions.

(a) Each plant which has acquired pool plant status but from which no Class I milk in the form of milk is disposed of in the marketing area for two successive months in the marketing year shall be a nonpool plant in the second of the two months and for each consecutive succeeding month of the marketing year during which no such Class I disposition is made.

(b) Each nondistributing plant for which the market administrator has received on or before the 16th day of the preceding month the handler's written request for nonpool plant designation shall be a nonpool plant in each month of the marketing year to which the request applies.

(c) Each city distributing plant operated by a handler who operates no other plant which is a pool plant in the same month shall be a nonpool plant in any month in which the handler's total Class I milk in the marketing area does not exceed 10 percent of his total receipts of fluid milk products other than cream.

(d) Each plant which is operated as the plant of a producer-handler shall be a nonpool plant in any month in which it is so operated.

(e) Each plant which is operated as a New York order pool plant or as a plant from which emergency milk is received shall be a nonpool plant during the month or portion of a month of such operation.

(f) Each of a handler's plants which is a nonpool receiving plant during any of the months of August through March shall be a nonpool plant in any of the months of April through July of the same marketing year in which it is operated by the same handler, an affiliate of the handler, or any person who controls or is controlled by the handler, unless its operation during August through March was in the handler's capacity as a producer-handler or as the operator of a New York order pool plant which had been acquired by him after June 30 of the immediately preceding marketing year.

§ 904.22 *Disposition of Class I milk in the form of milk in the marketing area.* Each plant from which milk is moved at some time during the month to another plant from which Class I milk in the form of milk is disposed of

in the marketing area shall itself be considered to have made such a disposition, except that no movement of milk to any unregulated nondistributing plant shall be considered a disposition of Class I milk in the form of milk in the marketing area.

§ 904.23 *Total receipts of fluid milk products other than cream.* Each handler's total receipts of fluid milk products other than cream, referred to in this section as "total receipts", shall be determined as follows:

(a) For each month of the marketing year until and including the first month in which the handler is a pool handler, his total receipts shall be the receipts at all plants from which Class I milk in the form of milk is disposed of in the marketing area, except his receipts at any plant which fails to meet the applicable standards set forth in § 904.20 (a) and (b) or which is a nonpool plant pursuant to § 904.21 (b).

(b) For each of the other months of the marketing year, the handler's total receipts shall be the total receipts determined pursuant to paragraph (a) of this section plus the receipts at any other of his plants which is a pool plant in such month.

ASSIGNMENT OF RECEIPTS TO CLASSES

§ 904.25 *General provisions.* Except as provided in §§ 904.26 through 904.31, all receipts of fluid milk products, other than receipts from producers, shall be assigned to Class I milk or Class II milk as follows:

(a) Receipts as to which Class II use is established shall be assigned to Class II milk.

(b) All other receipts shall be assigned to Class I milk.

§ 904.26 *Receipts of cream and other milk products.* All receipts of cream, and milk products other than fluid milk products, shall be assigned to Class II milk.

§ 904.27 *Receipts of skim milk from producer-handlers.* Skim milk received from a producer-handler shall be assigned to Class II milk.

§ 904.28 *Receipts of outside milk.* All receipts of outside milk shall be considered as receipts of Class II milk, and shall be assigned to that class without regard to the specific use of such receipts.

§ 904.29 *Receipts from New York order pool plants.* Receipts of fluid milk products from New York order pool plants shall be assigned to Class II milk, except as provided in § 904.30, and except that receipts during the months of August through March which are classified in Class I-A or I-B under the New York order shall be assigned to Class I milk.

§ 904.30 *Receipts of emergency milk.* Emergency milk received by a handler whose total use of Class II milk is in excess of 10 percent of the total volume of fluid milk products, other than cream, handled by him shall be assigned to Class II milk to the extent of such excess. For the purpose of this section, the handler's total Class II milk and

total volume handled shall be the total of the respective quantities from the first day on which emergency milk is received by the handler during the month up to and including the last such day in the month. If the quantity of emergency milk as to which specific Class II use is established is greater than the quantity otherwise assigned to Class II milk pursuant to this section, such greater quantity shall be assigned to Class II milk. Receipts of emergency milk not assigned to Class II milk shall be assigned to Class I milk.

§ 904.31 *Receipts of exempt milk.* All receipts of exempt milk shall be assigned to Class I milk.

REPORTS OF HANDLERS

§ 904.32 *Pool handlers' reports of receipts and utilization.* On or before the 8th day after the end of each month each pool handler shall, with respect to the fluid milk products received by the handler during the month, report to the market administrator in the detail and form prescribed by the market administrator, as follows:

(a) The receipts of milk as each pool plant from producers, including the quantity, if any, received from his own production;

(b) The receipts of fluid milk products at each plant from any other handler, assigned to classes pursuant to §§ 904.25 through 904.31.

(c) The receipts of outside milk and exempt milk at each plant; and

(d) The respective quantities which were sold, distributed, or used, including sales to other handlers and dealers, classified pursuant to §§ 904.15 through 904.18.

§ 904.33 *Reports of nonpool handlers.* Each nonpool handler shall file with the market administrator reports relating to his receipts and utilization of fluid milk products. The reports shall be made at the time and in the manner prescribed by the market administrator, except that any handler who receives outside milk during any month shall file the report on or before the 8th day after the end of the month.

§ 904.34 *Reports regarding individual producers.* (a) Within 20 days after a producer moves from one farm to another, or starts or resumes deliveries to any of a handler's pool plants, the handler shall file with the market administrator a report stating the producer's name and post office address, the date on which the change took place, and the farm and plant locations involved. The report shall also state, if known, the plant to which the producer had been delivering prior to starting or resuming deliveries.

(b) Within 15 days after the 5th consecutive day on which a producer has failed to deliver to any of a handler's pool plants, the handler shall file with the market administrator a report stating the producer's name and post office address, the date on which the last delivery was made, and the farm and plant locations involved. The report shall also state, if known, the reason for the producer's failure to continue deliveries.

§ 904.35 *Reports of payments to producers.* Each pool handler shall submit to the market administrator, within 10 days after his request made not earlier than 20 days after the end of the month, his producer pay roll for such month, which shall show for each producer:

(a) The daily and total pounds of milk delivered with the average butterfat test thereof; and

(b) The net amount of such handler's payments to such producer with the prices, deductions, and charges involved.

§ 904.36 *Outside cream purchases.* Each handler shall report, as requested by the market administrator, his purchases, if any, of bottling quality cream from nonpool handlers, showing the quantity and the source of each such purchase and the cost thereof at Boston.

§ 904.37 *Maintenance of records.* Each handler shall maintain detailed and summary records showing all receipts, movements, and disposition of milk and milk products during the month, and the quantities of milk and milk products on hand at the end of the month.

§ 904.38 *Verification of reports.* For the purpose of ascertaining the correctness of any report made to the market administrator as required by this order or for the purpose of obtaining the information required in any such report where it has been requested and has not been furnished, each handler shall permit the market administrator or his agent, during the usual hours of business, to:

(a) Verify the information contained in reports submitted in accordance with this order;

(b) Weigh, sample, and test milk and milk products; and

(c) Make such examination of records, operations, equipment, and facilities as the market administrator deems necessary for the purpose specified in this section.

§ 904.39 *Retention of records.* All books and records required under this subpart to be made available to the market administrator shall be retained by the handler for a period of three years to begin at the end of the calendar month to which such books and records pertain: *Provided*, That if, within such three-year period, the market administrator notifies the handler in writing that the retention of such books and records, or of specified books and records, is necessary in connection with a proceeding under section 8c (15) (A) of the act or a court action specified in such notice, the handler shall retain such books and records, or specified books and records, until further written notification from the market administrator. In either case the market administrator shall give further written notification to the handler promptly upon the termination of the litigation or when the records are no longer necessary in connection therewith.

MINIMUM CLASS PRICES

§ 904.40 *Class I prices.* For Class I milk received from producers, each pool handler shall pay, in the manner set forth in §§ 904.60 through 904.68 and subject to the differentials applicable pursuant to §§ 904.42 and 904.43 not less than the price per hundredweight determined for each month pursuant to this section. In determining the Class I price for each month the latest reported figures available to the market administrator on the 25th day of the preceding month shall be used in making the following computations, except that if the 25th day of the preceding month falls on a Sunday or legal holiday, the latest figures available on the next succeeding work day shall be used.

(a) Divide by 0.98 the monthly wholesale price index for all commodities as reported by the Bureau of Labor Statistics, United States Department of Labor, with the year 1926 as the base period.

(b) Divide by 3 the sum of the three latest monthly indexes of department store sales in the Boston Federal Reserve District adjusted for seasonal variations, as reported by the Federal Reserve System, with the years 1935-39 as the base period, and divide the result so obtained by 1.26.

(c) Compute an index of grain-labor costs in the Boston milkshed in the following manner:

(1) Compute the simple average of the four latest weekly average retail prices per ton of dairy ration in the Boston milkshed, as reported by the United States Department of Agriculture, divided by 0.5044, and multiply by 0.6.

(2) Compute the simple average of monthly equivalent farm wage rates for each of the states named below by converting the rates reported by the United States Department of Agriculture to monthly equivalents as follows: Rate per month with board, 1, rate per month with house, 1, rate per week with board and room, 4.33; rate per week without board or room, 4.33; and per day without board or room, 26. Next compute a weighted monthly wage rate by combining the average wage rates for the respective states with the weights; Maine, 10, Massachusetts, 6, New Hampshire, 7, and Vermont, 77. Divide the weighted average monthly wage rate by .6394 and multiply by 0.4.

(3) Add the results determined pursuant to subparagraphs (1) and (2) of this paragraph.

(d) Divide by 3 the sum of the final results computed pursuant to the preceding paragraphs of this section. Express the result as a whole number by dropping fractions of less than one-half or by raising fractions of one-half or more to the next whole number. The result shall be known as the formula index.

(e) Subject to the succeeding paragraphs of this section, the Class I price per hundredweight for milk received from producers at plants located in the 201-210-mile zone shall be as shown in the following table.

CLASS I PRICE SCHEDULE

Formula index	Class I price per hundredweight		
	Jan., Feb., Mar., July, Aug., Sept.	Apr., May, June	Oct., Nov., Dec.
60-66.....	\$1.69	\$1.25	\$2.13
67-68.....	1.91	1.47	2.35
69-70.....	2.13	1.69	2.67
71-77.....	2.35	1.91	2.99
78-84.....	2.57	2.13	3.31
85-89.....	2.79	2.35	3.63
90-97.....	3.01	2.57	3.95
98-104.....	3.23	2.79	4.27
105-111.....	3.45	3.01	4.59
112-118.....	3.67	3.23	4.91
119-125.....	3.89	3.45	5.23
126-132.....	4.11	3.67	5.55
133-139.....	4.33	3.89	5.87
140-146.....	4.55	4.11	6.19
147-152.....	4.77	4.33	6.51
153-159.....	4.99	4.55	6.83
160-163.....	5.21	4.77	7.15
167-173.....	5.43	4.99	7.47
174-180.....	5.65	5.21	7.79
181-187.....	5.87	5.43	8.11
188-194.....	6.09	5.65	8.43

If the formula index is more than 194 the price shall be increased at the same rate as would result from further extension of this table at the rate of extension in the six highest index brackets.

(f) The Class I price shall be 44 cents more than the price prescribed in paragraph (e) of this section if less than 33 percent of the milk received by all pool handlers from producers during the 12-month period ending with the second preceding month was Class II milk, except that if the operation of this paragraph would cause the Class I price to be more than 88 cents above the Class I price for the same month of the preceding year, its application shall be limited to only such portion of the 44-cent increase as will result in a Class I price equal to the Class I price for the same month of the preceding year plus 88 cents.

(g) The Class I price shall be 44 cents less than the price prescribed in paragraph (e) of this section if more than 41 percent of the milk received by all pool handlers from producers during the 12-month period ending with the second preceding month was Class II milk, except that if the operation of this paragraph would cause the Class I price to be more than 88 cents below the Class I price for the same month of the preceding year, its application shall be limited to only such portion of the 44-cent reduction as will result in a Class I price equal to the Class I price for the same month of the preceding year minus 88 cents.

(h) Notwithstanding the provisions of the preceding paragraphs of this section, the Class I price for any of the months of March through June of each year shall not be higher than the Class I price for the immediately preceding month and the Class I price for any of the months of September through December of each year shall not be lower than the Class I price for the immediately preceding month.

§ 904.41 *Class II prices.* For Class II milk received from producers, each pool handler shall pay, in the manner set forth in §§ 904.60 through 904.68 and subject to the differentials set forth in § 904.42 and § 904.43, and the adjust-

ments applicable pursuant to § 904.44, not less than the price per hundredweight determined for each month pursuant to this section.

(a) Subject to § 904.43 (c) subtract 52.5 cents from the weighted average price per 40-quart can of 40 percent bottling-quality cream, F. O. B. Boston, as reported by the United States Department of Agriculture for the month during which such milk is received, divide the remainder by 33, multiply by .98, and multiply the result by 3.7. If the cream price described above is not reported as indicated an equivalent determined as follows shall be used in lieu of such cream price:

Compute the simple average of the difference between the cream price reported for the latest three months and the average price for Grade A (92-score) butter at wholesale in the Chicago market as reported for the same months by the United States Department of Agriculture, times 1.22, and times 33. Then add to this amount the average of the butter prices described above multiplied by 33 and 1.22 for the current pricing month.

(b) Multiply by 7.85 the simple average of the prices per pound or roller process and the spray process nonfat dry milk solids for human consumption, in carlots, F. O. B. Chicago area manufacturing plants, as reported by the United States Department of Agriculture for the period from the 26th day of the preceding month through the 25th day of the month during which such milk is delivered.

(c) Add the results obtained in paragraphs (a) and (b) of this section, and from the sum subtract the amount shown below for the applicable month, adjusted pursuant to paragraph (d) of this section. The result is the Class II price per hundredweight for milk received from producers at plants located in the 201-210 railroad freight mileage zone.

Month:	Amount (cents)
January and February.....	67
March and April.....	79
May and June.....	85
July.....	79
August and September.....	73
October, November, and December..	67

(d) The amount set forth in the table in paragraph (c) of this section shall be reduced by any plus amount determined as follows:

(1) Compute the simple average of the prices reported by the United States Department of Agriculture for milk for manufacturing purposes f. o. b. plants, United States, for the 12 months ending with the preceding month.

(2) Adjust the Class II prices for milk received at plants in the 201-210 mile zone for the preceding 12 months to the average butterfat tests for which the prices described in subparagraph (1) of this paragraph are reported by applying the differential pursuant to § 904.63, and compute a simple average of such adjusted prices.

(3) Determine any amount, computed to the nearest $\frac{1}{2}$ cent, by which the average determined pursuant to subparagraph (1) of this paragraph exceeds the average computed pursuant to sub-

paragraph (2) of this paragraph: *Provided*, That this provision shall not be applicable for the first time until the plus amount determined hereby for the previous month exceeds 5 cents.

§ 904.42 *Zone price differentials.* The minimum prices determined pursuant to §§ 904.40 and 904.41 shall be subject to differentials based upon the zone location of the plant at which the milk was received from producers. For each country plant, the zone shall be determined in accordance with the railroad freight mileage distance to Boston from the railroad shipping point for such plant. Each city plant, regardless of such railroad freight mileage distance, shall be considered to be in the "City Plant" zone. The applicable zone differentials shall be those set forth in the following table, as adjusted pursuant to § 904.43.

DIFFERENTIALS FOR DETERMINATION OF ZONE PRICES

A	B	C
Zone (miles)	Class I— Price differentials (cents per hundredweight)	Class II— Price differentials (cents per hundredweight)
City plant.....	+32.0	+33.1
41-50.....	+14.5	+14.2
51-60.....	+13.5	+14.0
61-70.....	+13.0	+13.7
71-80.....	+11.5	+13.5
81-90.....	+11.0	+13.2
91-100.....	+10.5	+12.9
101-110.....	+10.5	+12.9
111-120.....	+10.0	+12.6
121-130.....	+10.0	+12.4
131-140.....	+10.0	+12.1
141-150.....	+10.0	+11.6
151-160.....	+10.0	+11.3
161-170.....	+10.0	+11.3
171-180.....	+10.0	+10.6
181-190.....	+10.0	+10.4
191-200.....	0	+0.1
201-210.....	(1)	(1)
211-220.....	-4.0	-0.6
221-230.....	-4.5	-0.7
231-240.....	-5.5	-0.9
241-250.....	-5.5	-0.9
251-260.....	-6.5	-1.2
261-270.....	-7.0	-1.3
271-280.....	-7.5	-1.5
281-290.....	-8.5	-1.6
291-300.....	-9.5	-1.8
301-310.....	-13.0	-2.3
311-320.....	-13.0	-2.4
321-330.....	-14.0	-2.5
331-340.....	-14.0	-2.8
341-350.....	-15.0	-2.8
351-360.....	-15.0	-3.0
361-370.....	-15.0	-3.1
371-380.....	-15.5	-3.3
381-390.....	-15.5	-3.4
391 and over.....	-15.5	-3.5

¹ No differential.

§ 904.43 *Automatic changes in zone price differentials and other price factors.* In case the rail tariff for the transportation of milk in carlots in tank cars or for the transportation of cream in 40-quart cans in carlots of 100-199 cans, as published in New England Joint Tariff—M No. 6 and supplements thereto or revisions thereof, is increased or decreased, the zone price differentials set forth in the table in § 904.42 and other price factors set forth in § 904.41 and in § 904.63, shall be correspondingly increased or decreased in the manner and to the extent provided in this section. Such adjustments shall be effective beginning with the first complete month in which the changes in rail tariffs apply. For the purpose of this section, it shall be considered that the rail tariff applicable to city plants is zero.

(a) If such rail tariff on milk is changed, the differentials set forth in Column B of the table and the city plant differential in Column C shall be adjusted to the extent of any change in the difference between the rail tariff for mileage distances of 201-210 miles and for the other applicable distances. Such adjustments shall be made to the nearest one-half cent per hundredweight in Column B, and to the nearest one-tenth cent per hundredweight in Column C.

(b) If such rail tariff on cream is changed, the country plant zone differentials set forth in Column C of the table shall be adjusted to the extent of any change in the difference between the rail tariff for mileage distances of 201-210 miles and for the other applicable distances, divided by 9.05. Such adjustments shall be made to the nearest one-tenth cent per hundredweight.

(c) If such rail tariff on cream is changed, the rail tariff rate on cream for mileage distances of 201-210 miles times 1.03 and adjusted to the nearest one-half cent shall be used in place of 52.5 cents specified in § 904.41 and § 904.63.

§ 904.44 *Butter and cheese adjustment.* During the months of April, May, June, and July, the value of a pool handler's milk computed pursuant to § 904.50 shall be reduced by an amount determined as follows:

(a) Using the midpoint of any range as one price, compute the average of the daily prices for Grade A 92-score butter wholesale in the New York market which are reported during the month by the United States Department of Agriculture, and add 20 percent.

(b) Divide by 3.7 the amount determined pursuant to § 904.41 (a) and subtract from the quotient the amount determined pursuant to paragraph (a) of this section. The result is the butter and cheese differential.

(c) Determine the pounds of butterfat in Class II milk received from producers, which was processed into salted butter, Cheddar cheese, American Cheddar cheese, Colby cheese, washed curd cheese, or part skim Cheddar cheese at a plant of the first handler of such butterfat or at a plant of a second person to which such butterfat was moved.

(d) Subtract such portion of the quantity determined in paragraph (c) of this section as was made into salted butter and disposed of by the handler or such second person in a form other than salted butter.

(e) Multiply the remaining pounds of butterfat determined pursuant to paragraph (d) of this section by the butter and cheese differential determined pursuant to paragraph (b) of this section.

§ 904.45 *Use of equivalent prices in formulas.* If for any reason a price, index, or wage rate, specified by this order for use in computing class prices and for other purposes is not reported or published in the manner described in this order, the market administrator shall use a price, index, or wage rate, determined by the Secretary, to be equivalent to or comparable with the price which is specified.

§ 904.46 *Announcement of class prices and differentials.* The market administrator shall make public announcements of the class prices and differentials in effect pursuant to this subpart as follows:

(a) He shall announce the Class I price for each month on the 25th day of the preceding month, except that if such 25th day is a Sunday or legal holiday, he shall announce the Class I price on the next succeeding work day.

(b) He shall announce the Class II price and the butter and cheese differential on or before the 5th day after the end of each month.

§ 904.47 *Allocation of Class I milk to plants.* Each pool handler's Class I milk during the month, after excluding receipts assigned to Class I milk pursuant to §§ 904.25 through 904.31, shall be allocated to his plants as follows:

(a) His Class I milk first shall be considered to have been the receipts at his city plants of milk from producers' farms, and of outside milk.

(b) Thereafter, his Class I milk shall be considered to have been the receipts at his country plants of that milk received from producers' farms, and that outside milk, which was shipped as fluid milk products, other than cream, from each of his country plants, in the order of the nearness of the plants to Boston. However, shipments to plants located in the States of Maine, New Hampshire, Vermont, or New York, with respect to which utilization as Class II milk is established, shall not be allocated to Class I milk.

BLENDING PRICES TO PRODUCERS

§ 904.50 *Computation of value of milk received from producers.* For each month, the market administrator shall compute the value of milk received from producers which is sold, distributed, or used by each pool handler, in the following manner:

(a) Multiply the quantity of milk in each class by the price applicable pursuant to §§ 904.40 and 904.41, and

(b) Add together the resulting value of each class.

(c) Adjust the value determined in paragraph (b) of this section as provided in § 904.44.

§ 904.51 *Computation of the basic blended price.* The market administrator shall compute the basic blended price per hundredweight of milk delivered during each month in the following manner:

(a) Combine into one total the respective values of milk, computed pursuant to § 904.50 and payments required pursuant to §§ 904.66 and 904.67 for each handler from whom the market administrator has received at his office, prior to the 11th day after the end of such month, the report for such month and the payments required pursuant to §§ 904.61 (b) 904.66, and 904.67 for milk received during each month since the effective date of the most recent amendment of this subpart;

(b) Add the amount of unreserved cash on hand at the close of business on the 10th day after the end of the month from payments made to the market ad-

ministrator by handlers pursuant to §§ 904.61, 904.62, 904.66, 904.67 and 904.68,

(c) Deduct the amount of the plus differentials, and add the amount of the minus differentials which are applicable pursuant to § 904.64,

(d) Subtract the total amount of cooperative payments required by § 904.72;

(e) Divide by the total quantity of milk received from producers for which a value is determined pursuant to paragraph (a) of this section;

(f) Subtract not less than 4 cents nor more than 5 cents for the purpose of retaining a cash balance in connection with the payments set forth in §§ 904.61 and 904.62. This result, which is the minimum blended price for milk containing 3.7 percent butterfat received from producers at plants located in the 201-210 freight mileage zone, shall be known as the basic blended price.

§ 904.52 *Announcement of blended prices.* On the 12th day after the end of each month the market administrator shall mail to all pool handlers and shall publicly announce:

(a) Such of these computations as do not disclose information confidential pursuant to the act;

(b) The zone blended prices per hundredweight resulting from adjustment of the basic blended price by the differentials pursuant to § 904.64; and

(c) The names of the pool handlers, designating those whose milk is not included in the computations, because of failure to make reports or payments pursuant to this subpart.

PAYMENTS FOR MILK

§ 904.60 *Advance payments.* On or before the 10th day after the end of each month, each pool handler shall make payment to producers for the approximate value of milk received during the first 15 days of such month. In no event shall such advance payment be at a rate less than the Class II price for such month. The provisions of this section shall not apply to any handler who, on or before the 17th day after the end of the month, makes final payment as required by § 904.61 (a)

§ 904.61 *Final payments.* Each pool handler shall make payment for the total value of milk received during such month as required to be computed pursuant to § 904.50 as follows:

(a) On or before the 25th day after the end of each month, to each producer at not less than the basic blended price per hundredweight, subject to the differentials provided in §§ 904.63 and 904.64, for the quantity of milk delivered by such producer; and

(b) To producers, through the market administrator, by paying to, on or before the 23d day after the end of each month, or receiving from the market administrator, on or before the 25th day after the end of each month, as the case may be, the amount by which the payments at the basic blended price adjusted by the plant and farm location differentials provided in § 904.64 are less than or exceed the value of milk as required to be computed for each such handler pursuant to § 904.50 as shown in a state-

ment rendered by the market administrator on or before the 20th day after the end of such month.

§ 904.62 *Adjustments of errors in payments.* Whenever verification by the market administrator of reports or payments of any handler discloses errors made in payments pursuant to §§ 904.61 (b) 904.66, or 904.67, the market administrator shall promptly bill such handler for any unpaid amount and such handler shall, within 15 days, make payment to the market administrator of the amount so billed. Whenever verification discloses that payment is payable by the market administrator to any handler, the market administrator shall, within 15 days, make such payment to such handler. Whenever verification by the market administrator of the payment to any producer for milk delivered to any handler discloses payment to such producer of an amount less than is required by this order, the handler shall make up such payment to the producer not later than the time of making final payment for the month in which such error is disclosed.

§ 904.63 *Butterfat differential.* In making the payments to each producer for milk received from him, each pool handler shall add for each one-tenth of 1 percent average butterfat content above 3.7 percent, or deduct for each one-tenth of 1 percent average butterfat content below 3.7 percent, an amount per hundredweight calculated by the market administrator as follows:

(a) Subject to § 904.43 (c), subtract 52.5 cents from the weighted average price per 40-quart can of 40 percent bottling quality cream, f. o. b. Boston, as reported by the United States Department of Agriculture for the period between the 16th day of the preceding month and the 15th day inclusive of the month during which such milk is delivered, and divide the remainder by 330. If the cream price described above is not reported as indicated an equivalent determined as follows shall be used in lieu of such cream price:

Compute the simple average of the difference between the cream price reported for the latest three months and the average price for Grade A (92-score) butter at wholesale in the Chicago market as reported for the same months by the United States Department of Agriculture, times 1.22, and times 33. Then add to this amount the average of the butter prices described above, for the period between the 16th day of the preceding month and the 15th day inclusive of the month during which such milk is delivered, multiplied by 33 and 1.22.

§ 904.64 *Location differentials.* The payments to be made to producers by handlers pursuant to § 904.61 (a) shall be subject to the differentials set forth in Column B of the table in § 904.42 as adjusted by § 904.43 and to further differentials as follows:

(a) With respect to milk delivered by a producer whose farm is located more than 40 miles but not more than 80 miles from the State House in Boston, there shall be added 23 cents per hundredweight, unless such addition gives a result greater than the Class I price pursuant to §§ 904.40 and 904.42 which is

effective at the plant to which such milk is delivered, in which event there shall be added an amount which will give as a result such price.

(b) With respect to milk delivered by a producer whose farm is located not more than 40 miles from the State House in Boston, there shall be added 46 cents per hundredweight, unless such addition gives a result greater than the Class I price pursuant to §§ 904.40 and 904.42 which is effective at the plant to which such milk is delivered, in which event there shall be added an amount which will give as a result such price.

§ 904.65 *Other differentials.* In making the payments to producers set forth in § 904.61 (a) pool handlers may make deductions as follows:

(a) With respect to milk delivered by producers to a city plant which is located outside the marketing area and more than 14 miles from the State House in Boston, 10 cents per hundredweight;

(b) With respect to milk delivered by producers to a country plant, at which plant the average daily receipts of milk from producers are:

(1) Less than 17,000 but greater than 8,500 pounds, 4 cents per hundredweight, and

(2) 8,500 pounds or less, 8 cents per hundredweight.

§ 904.66 *Payments on outside milk.*

(a) Within 23 days after the end of each month, each pool handler, buyer-handler, or producer-handler, whose receipts of outside milk are in excess of his total use of Class II milk after deducting receipts of cream, shall make payment on such excess quantity to producers, through the market administrator, at the difference between the price pursuant to § 904.40 and the price pursuant to § 904.41 effective for the location or freight mileage zone of the plant at which the handler received the outside milk.

(b) Within 23 days after the end of each month, each handler who operates an unregulated plant from which outside milk is disposed of to consumers in the marketing area without intermediate movement to another plant shall make payment to producers, through the market administrator, on the quantity so disposed of. The payment shall be at the difference between the price pursuant to § 904.40 and the price pursuant to § 904.41 effective for the location or freight mileage zone of the handler's plant.

§ 904.67 *Payments on diverted milk.* Within 23 days after the end of each month, each pool handler, buyer handler, or producer handler who receives outside milk from the farms of dairy producers under other Federal orders which is diverted pursuant to § 904.2 (e) shall in addition to any payments on such milk required by § 904.66 pay during the applicable months to producers through the market administrator on the pounds of butterfat received in such diverted milk the price adjustment computed pursuant to § 904.44.

§ 904.68 *Adjustment of overdue accounts.* Any balance due pursuant to §§ 904.61, 904.62, 904.66, 904.67 and 904.68

for any month since August 1, 1937, to or from the market administrator on the 10th day of any month, for which remittance has not been received in, or paid from, his office by the close of business on that day, shall be increased one-half of 1 percent effective the 11th day of such month.

§ 904.69 *Statements to producers.* In making the payments to producers prescribed by § 904.61 (a), each pool handler shall furnish each producer with a supporting statement, in such form that it may be retained by the producer, which shall show:

(a) The month, and the identity of the handler and of the producer;

(b) The total pounds and average butterfat test of milk delivered by the producer;

(c) The minimum rate or rates at which payment to the producer is required under the provisions of §§ 904.61 (a) 904.63, and 904.64;

(d) The rate which is used in making the payment, if such rate is other than the applicable minimum rate;

(e) The amount or the rate per hundredweight of each deduction claimed by the handler, including any deductions claimed under §§ 904.65 and 904.75, together with a description of the respective deductions; and

(f) The net amount of payment to the producer.

PAYMENTS TO COOPERATIVE ASSOCIATIONS

§ 904.71 *Application and qualification for cooperative payments.* Any cooperative association of producers duly organized under the laws of any state may apply to the Secretary for a determination that it is qualified to receive cooperative payments in accordance with the provisions of §§ 904.71 through 904.75. Upon notice of the filing of such an application, the market administrator shall set aside for each month, from the funds provided by handlers' payments to the market administrator pursuant to §§ 904.61, 904.62, 904.66, 904.67, and 904.68, such amount as he estimates is ample to make payment to the applicant, and hold it in reserve until the Secretary has ruled upon the application. The applicant association shall be considered to be a qualified association entitled to receive such payments from the date fixed by the Secretary, if he determines that it meets all of the following requirements.

(a) It conforms to the requirements relating to character of organization, voting, dividend payments, and dealing in products of nonmembers, which are set forth in the Capper-Volstead Act and in the state laws under which the association is organized.

(b) It operates as a responsible producer-controlled marketing association exercising full authority in the sale of the milk of its members.

(c) It systematically checks the weights and tests of milk which its members deliver to plants not operated by the association.

(d) It guarantees payment to its members for milk delivered to plants not operated by the association.

(e) It maintains, either individually or together with other qualified associations, a competent staff for dealing with marketing problems and for providing information to its members.

(f) It constantly maintains close working relationships with its members.

(g) It collaborates with similar associations in activities incident to the maintenance and strengthening of collective bargaining by producers and the operation of a plan of uniform pricing of milk to handlers.

(h) It is in compliance with all applicable provisions of this subpart.

§ 904.72 *Cooperative payments.* On or before the 25th day after the end of each month, each qualified association shall be entitled to receive a cooperative payment from the funds provided by handlers' payments to the market administrator pursuant to §§ 904.61, 904.62, 904.66, 904.67, and 904.68. The payment shall be made under the conditions and at the rates specified in this section, and shall be subject to verification of the receipts and other items upon which such payment is based.

(a) Each qualified association shall be entitled to payment at the rate of 1 cent per hundredweight on the milk which its producer members deliver to the plant of a handler other than a qualified association; except on milk delivered by a producer who is also a member of another qualified association, and on milk delivered to a handler who fails to make applicable payments pursuant to § 904.61 (b) and § 904.77 within ten days after the end of the month in which he is required to do so. If the handler is required by § 904.75 to make deductions from members of the association at a rate lower than 1 cent per hundredweight, the payment pursuant to this paragraph shall be at such lower rate.

(b) Each qualified association shall be entitled to payment at the rate of 2 cents per hundredweight on milk received from producers at a plant operated by that association.

§ 904.73 *Reports relating to cooperative payments.* Each qualified association shall, upon request by the market administrator, make reports to him with respect to its use of cooperative payments and its performance in meeting the requirements set forth as the basis for such payments, and shall file with him a copy of its balance sheet and operating statement at the close of each fiscal year.

§ 904.74 *Suspension of cooperative payments.* Whenever there is reason to believe that an association is no longer meeting the qualification requirements, the market administrator shall, upon request by the Secretary, suspend cooperative payments to it, and shall give the association written notice of the suspension. Such suspended payments shall be held in reserve until the Secretary has, after notice and opportunity for a hearing, ruled upon the performance of the association.

§ 904.75 *Deductions from payments to members.* (a) Each association which is entitled to receive cooperative payments on milk which its producer mem-

bers deliver to a handler other than a qualified association may file a claim with the handler for amounts to be deducted from the handler's payments to such members. The claim shall contain a list of the producers, an agreement to indemnify the handler in the making of the deductions, and a certification that the association has an unexpired membership contract with each producer, authorizing the claimed deduction.

(b) In making payments to his producers for milk received during the month, each handler shall make deductions in accordance with the association's claim, and shall pay the amount deducted to the association within 25 days after the end of the month.

ADMINISTRATION EXPENSE

§ 904.77 *Payments of administration expense.* Within 23 days after the end of each month, each handler shall make payment to the market administrator of his pro rata share of the expense of administration of this subpart. The payment shall be at the rate of 3 cents per hundredweight, or such lesser amount as the Secretary may from time to time prescribe, and shall apply to all of the handler's receipts of milk from producers and receipts of exempt milk and outside milk during the month.

OBLIGATIONS

§ 904.78 *Termination of obligations.* The provisions of this section shall apply to any obligation under this subpart for the payment of money irrespective of when such obligation arose.

(a) The obligation of any handler to pay money required to be paid under the terms of this subpart shall, except as provided in paragraphs (b) and (c) of this section, terminate two years after the last day of the calendar month during which the market administrator receives the handler's utilization report on the milk involved in such obligation, unless within such two-year period the market administrator notifies the handler in writing that such money is due and payable. Service of such notice shall be complete upon mailing to the handler's last known address, and it shall contain but need not be limited to the following information:

- (1) The amount of the obligation;
- (2) The month(s) during which the milk, with respect to which the obligation exists, was received or handled; and

(3) If the obligation is payable to one or more producers or to an association of producers, the name of such producer(s) or association of producers, or if the obligation is payable to the market administrator, the account for which it is to be paid.

(b) If a handler fails or refuses, with respect to any obligation under this order, to make available to the market administrator or his representatives all books and records required by this subpart to be made available, the market administrator may, within the two-year period provided for in paragraph (a) of this section, notify the handler in writing of such failure or refusal. If the market administrator so notifies a handler, the said two-year period with respect to such obligation shall not begin to run until the first day of the calendar month following the month during which all such books and records pertaining to such obligation are made available to the market administrator or his representatives.

(c) Notwithstanding the provisions of paragraphs (a) and (b) of this section, a handler's obligation under this subpart to pay money shall not be terminated with respect to any transaction involving fraud or willful concealment of a fact, material to the obligation, on the part of the handler against whom the obligation is sought to be imposed.

(d) Any obligation on the part of the market administrator to pay a handler any money which such handler claims to be due him under the terms of this subpart shall terminate two years after the end of the calendar month during which the milk involved in the claim was received if an underpayment is claimed, or two years after the end of the calendar month during which the payment (including deduction or setoff by the market administrator) was made by the handler if a refund on such payment is claimed, unless such handler, within the applicable period of time, files, pursuant to section 8c (15) (A) of the act, a petition claiming such money.

MISCELLANEOUS PROVISIONS

§ 904.80 *Effective time.* The provisions of this subpart or any amendments to its provisions, shall become effective at such time as the Secretary may declare and shall continue in force until suspended or terminated pursuant to § 904.81.

§ 904.81 *Suspension or termination.* The Secretary may suspend or terminate this subpart or any of its provisions whenever he finds that this subpart or any of its provisions obstruct or do not tend to effectuate the declared policy of the act. This subpart shall, in any event, terminate whenever the provisions of the act authorizing it cease to be in effect.

§ 996.82 *Continuing obligations.* If, upon the suspension or termination of any or all provisions of this subpart, there are any obligations arising under it, the final accrual or ascertainment of which requires further acts by any person, such further acts shall be performed notwithstanding such suspension or termination.

§ 904.83 *Liquidation after suspension or termination.* Upon the suspension or termination of any or all provisions of this subpart the market administrator, or such person as the Secretary may designate, shall, if so directed by the Secretary, liquidate the business of the market administrator's office and dispose of all funds and property then in his possession or under his control, together with claims for any funds which are unpaid or owing at the time of such suspension or termination. Any funds collected pursuant to the provisions of this subpart, over and above the amounts necessary to meet outstanding obligations and the expenses necessarily incurred by the market administrator or such person in liquidating and distributing such funds, shall be distributed to the contributing handlers and producers in an equitable manner.

§ 904.84 *Agents.* The Secretary may, by designation in writing, name any officer or employee of the United States, or name any bureau or division of the United States Department of Agriculture, to act as his agent or representative in connection with any of the provisions of this subpart.

Issued at Washington, D. C., this 13th day of July 1951.

[SEAL] ROY W. LENNARTSON,
Assistant Administrator, Pro-
duction and Marketing Ad-
ministration.

[F. R. Doc. 51-8239; Filed, July 17, 1951;
8:53 a. m.]

NOTICES

FEDERAL COMMUNICATIONS COMMISSION

[Docket Nos. 8736, 8975, 8976, 9175]

TELEVISION BROADCAST SERVICE

NOTICE OF PROPOSED PROCEDURE

In the matters of amendment of § 3.606 of the Commission's rules and regulations, Docket Nos. 8736 and 8975;

amendment of the Commission's rules, regulations and Engineering Standards concerning the Television Broadcast Service, Docket No. 9175; utilization of frequencies in the band 470 to 890 Mcs. for Television Broadcasting, Docket No. 8976.

1. The Commission has before it a petition, filed July 6, 1951, by the National Association of Radio and Television Broadcasters in behalf of its

Television Board (NARTB-TV) which requests the Commission to change the procedure to be followed in the hearings in the above-entitled matters. In the said petition it is requested that the following procedure be followed in lieu of the oral hearing scheduled to commence on July 23, 1951.

1. Provide interested parties of record an opportunity to participate in further rule making on these subjects solely

through submission of written data, views, or arguments in lieu of oral presentation in open hearing, said material to have the same force and effect as if such testimony and evidence had been presented orally at the hearing scheduled to begin on July 23, 1951.

2. Provide for a 30-day period from the date of grant of this petition within which such parties of record may fully implement comments (including data, views or arguments) previously filed, having due notice that opportunity for oral presentation will not be provided, unless good cause is shown to the contrary by specific petition.

3. Provide for an additional 30-day period within which such parties of record may submit written comments (including data, views or arguments) in opposition to the implemented and additional comments filed in accordance with paragraph 2 above.

4. Provide for the submission of the above specified, written testimony and evidence in affidavit form.

5. Provide that such written data, views or arguments shall be filed with the Commission in sufficient number to permit reasonable access thereto at the Commission.

2. In support of its proposal the NARTB-TV states the following:

* * * many states are presently without any local television service; * * * only a minor percentage of the communities of the United States do presently receive television broadcast service; * * * the peoples of many communities and rural areas now unserved are deprived of a television service now available to residents of the larger cities of the nation; * * * this unserved public desires and deserves television service within the reasonable future; * * * the Commission does not contemplate new and additional grants of television construction permits until final determination of these dockets; * * * pursuant to the Commission's Third Notice of Further Proposed Rule Making (as amended) and in contemplation of the so-called specific allocations hearing now scheduled for July 23, the Commission has received over 1,000 pleadings, so filed, including 700 comments and 330 individual oppositions; * * * oral presentation and cross examination by these parties before the Commission en banc in open hearing would entail between eight to fifteen months of time and further delay; * * * these extraordinary and unusual circumstances are of a nature to require a specific expediting procedure in the public interest; * * * section 4 (j) of the Communications Act of 1934 as amended specifies that "the Commission may conduct its proceedings in such manner as will best conduce to the proper dispatch of business and to the ends of justice"; * * * in accordance with section 4 (b) of the Administrative Procedure Act of 1946 the Commission " * * * shall afford interested persons an opportunity to participate in rule making through submission of written data, views or arguments with or without opportunity to present the same orally in any manner" (emphasis supplied); * * * Petitioner urges that exercise of this discretion in this instance would serve public necessity and promote public convenience and interest; * * *

3. The Commission also has before it petitions to amend the Third Notice of Further Proposed Rule-Making (FCC 51-244) filed July 11, 1951, by Keokuk Broadcasting Company, Keokuk, Iowa,

Allegheny Broadcasting Company, Pittsburgh, Pennsylvania, Hirsch Broadcasting Company, Cape Girardeau, Missouri, The Gable Broadcasting Company, Altoona, Pennsylvania, Orlando Broadcasting Company, Inc., Orlando, Florida, KFRU, Inc., Columbia, Missouri, Lynchburg Broadcasting Corporation, Lynchburg, Virginia and Pittsburg Broadcasting Co., Inc., Pittsburg, Kansas. These petitions state that the petitioners join in the petition filed by NARTB-TV described in paragraphs 1 and 2 above. In support of their petitions the petitioners state that they believe:

* * * that the submission of information and data in written form, rather than by oral presentation in open hearing, would save the Commission over a year's time in the solution of the television allocation problem. Such a saving of time and money for the Commission and the parties to this proceeding is surely in the public interest.

The preparation of the material to be submitted will create, during the summer vacation period, a tremendous workload in the offices of engineers, attorneys, parties to this proceeding and all others who must assemble and prepare these data. Therefore, inasmuch as over a year's time may be saved, a more thorough presentation may be made for the Commission's consideration if forty-five or sixty days are permitted for the preparation of the material to be submitted and the same time for the filing of answers or oppositions.

4. The Commission also has before it a statement regarding the petition of the NARTB-TV to amend the Third Notice of Further Proposed Rule-Making described in paragraphs 1 and 2 above, filed on July 11, 1951 by Birmingham Broadcasting Company, Inc., licensee of Station WERC (TV) Birmingham, Alabama. This statement requests the Commission to permit the filing of written affidavits, documents, etc., as requested in the petition filed by the NARTB-TV. The statement points out that the Birmingham Broadcasting Company, Inc., is not affected by the NARTB-TV petition inasmuch as that petition does not apply to show cause orders which have been issued pursuant to paragraphs 8 and 9 of the Commission's Third Notice of Further Proposed Rule-Making. The statement points out further that no one has requested a hearing on the show cause order which Birmingham Broadcasting Company, Inc., has accepted and, therefore, no hearing is involved in order that the change in frequencies contemplated by the show cause order may be accomplished. The statement provides further that "it is the desire of this petitioner to advise the Commission that it is willing to cooperate and that it is in favor of the time saving process set forth by NARTB." Birmingham states, however, that its statement is not intended to in anywise affect the present status of the show cause proceeding with respect to its station.

5. The Commission is cognizant of the compelling need of concluding the instant proceedings at the earliest possible

*Hirsch Broadcasting Company appears not to have heretofore filed a proper pleading in this proceeding.

date consistent with due consideration of the important basic issues involved. It is keenly aware of the considerations referred to in the petitions described above and of the fact that the interest of the people of the United States requires that television become available on a nationwide scale at the earliest practicable moment and on a basis that will make for a fair, efficient, and equitable distribution of television service. It has, therefore, had under consideration possible methods for expediting progress of the instant proceedings in order to accomplish this objective. As a result of such consideration, including a review of the petitions described above, the Commission announces the following as a proposed procedure for completion of the above-entitled proceedings.

a. The further oral hearing now scheduled to be held in the above-entitled proceedings commencing July 23, 1951, would not be held. In lieu of such oral hearing, any person who, pursuant to paragraph 12 of the Third Notice of Further Proposed Rule Making (FCC 51-244) has filed an appropriate comment or opposition with respect to Appendices C and D in the above-entitled proceeding, would be permitted to file sworn written statements or exhibits fully setting out their position in support of such pleadings. Parties who have heretofore filed such comments or oppositions may adopt such statements or any designated portions as the complete presentation with respect to any issue by such party by the filing of a sworn statement verifying the matters of fact set out therein. The date for filing of such statements or exhibits would be specified by the Commission upon final adoption of the procedure proposed herein.

b. Any person eligible to submit sworn statements or exhibits under subparagraph a above, would, in lieu of cross-examination and rebuttal, be permitted to submit sworn statements or exhibits directed to those submitted by other parties pursuant to subparagraph a, above. The final date for the filing of any such statements or exhibits would be specified by the Commission upon final adoption of the procedure proposed herein.

c. The Commission would, upon its own motion or that of any proper party, order oral cross examination of any person or party who has filed a sworn statement or exhibit in this proceeding in connection with subparagraphs a and b, if upon review of the statements and exhibits filed pursuant to subparagraphs a and b above, it appears relevant factual issues cannot otherwise be satisfactorily resolved.

d. On July 20, 1951, at 10:00 a. m., the Commission will hold a formal pre-hearing conference in Conference Room B adjacent to the Interdepartmental Auditorium, between 13th and 14th Streets NW, on Constitution Avenue, Washington, D. C. The purpose of this pre-hearing conference will be to discuss the procedure described in subparagraphs a, b and c above with the parties eligible to participate in the remaining portions of this proceeding or their attorneys. Such parties may also file written statements supporting or oppos-

ing the adoption of the said procedure on or before the date of the pre-hearing conference. Following the conference the Commission will announce whether the procedure proposed herein is adopted as final. In reaching this decision it will take into full account the views expressed at the pre-hearing conference.

6. The oral hearing in the above-entitled proceeding scheduled to commence on July 23, 1951, is hereby continued and will commence on July 30, 1951, should the procedure proposed herein not be finally adopted.

7. This notice is issued pursuant to section 4 (i) and (j) of the Communications Act of 1934, as amended, and section 4 of the Administrative Procedure Act.

Adopted: July 13, 1951.

Released: July 13, 1951.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] T. J. SLOWIE,
Secretary.

[F. R. Doc. 51-8192; Filed, July 16, 1951;
8:49 a. m.]

CIVIL AERONAUTICS BOARD

[Docket No. SA-236]

ACCIDENT OCCURRING NEAR FORT COLLINS,
COLORADO

NOTICE OF HEARING

In the matter of investigation of accident involving aircraft of United States Registry N-37543, which occurred near Fort Collins, Colorado, on June 30, 1951.

Notice is hereby given, pursuant to the Civil Aeronautics Act of 1938, as amended, particularly section 702 of said act, in the above-entitled proceeding that hearing is hereby assigned to be held on Thursday, July 19, 1951, at 9:00 a. m. (local time) in the Albany Hotel, Seventeenth and Stout Streets, Denver, Colorado.

Dated at Washington, D. C., July 12, 1951.

[SEAL] VAN R. O'BRIEN,
Presiding Officer.

[F. R. Doc. 51-8185; Filed, July 17, 1951;
8:48 a. m.]

FEDERAL POWER COMMISSION

[Docket Nos. G-1210, G-1236, G-1264]

GRAND RIVER-ERIE GAS TRANSMISSION
Co. ET AL

NOTICE OF ORDER GRANTING MOTION TO
WITHDRAW APPLICATION AND TERMINATING
PROCEEDING

JULY 13, 1951.

In the matters of Grand River-Erie Gas Transmission Company, Docket No. G-1210; Lake Shore Pipe Line Company, Docket No. G-1236; Grand River Gas Transmission Company, Docket No. G-1264.

Notice is hereby given that, on July 12, 1951, the Federal Power Commission issued its order entered July 11, 1951, in the above-entitled matters, granting

motion to withdraw application and terminating proceeding in Docket No. G-1264, Grand River Gas Transmission Company.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 51-8187; Filed, July 17, 1951;
8:48 a. m.]

[Docket No. E-6252]

INTERSTATE LIGHT & POWER Co. (WISCONSIN) AND WISCONSIN POWER & LIGHT Co.

NOTICE OF ORDER DIRECTING COMPLIANCE

JULY 13, 1951.

In the matter of Interstate Light and Power Company (Wisconsin) and Wisconsin Power and Light Company; Docket No. E-6252.

Notice is hereby given that, on July 12, 1951, the Federal Power Commission issued its Opinion No. 215 and order entered July 11, 1951, in the above-entitled matter, directing compliance with the Federal Power Act.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 51-8188; Filed, July 17, 1951;
8:48 a. m.]

[Docket No. G-1729]

EL PASO NATURAL GAS Co.

NOTICE OF APPLICATION

JULY 12, 1951.

Take notice that on June 27, 1951, El Paso Natural Gas Company (Applicant) a Delaware corporation, of El Paso, Texas, filed an application for a certificate of public convenience and necessity pursuant to section 7 (c) of the Natural Gas Act, authorizing the construction and operation of a 1980 hp. compressor station, near Shell Oil Company's T X L plant in Ector County, Texas.

By means of the proposed facility, Applicant expects to transport an additional 17,800 Mcf of natural gas per day from the Shell Oil plant to Applicant's Keystone plant in Winkler County, Texas through two existing parallel 16 inch pipelines interconnecting the two plants. These additional volumes will be used to supply the general requirements of existing customers. The cost of the proposed facility is estimated to be \$453,000 which will be paid from current working funds of Applicant without additional financing.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before the 1st day of August 1951. The application is on file with the Commission for public inspection.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 51-8189; Filed, July 17, 1951;
8:48 a. m.]

[Docket No. G-1732]

MANUFACTURERS LIGHT AND HEAT Co.
ET AL.

NOTICE OF APPLICATION

JULY 12, 1951.

In the matter of The Manufacturers Light and Heat Company, Cumberland and Allegheny Gas Company, Home Gas Company.

Take notice that The Manufacturers Light and Heat Company (Manufacturers) a Pennsylvania corporation, Cumberland and Allegheny Gas Company (Cumberland) a West Virginia corporation, and Home Gas Company (Home), a New York corporation, each having as its address, Pittsburgh, Pennsylvania (all hereinafter sometimes referred to as "Applicants") filed on June 29, 1951, a joint application for certificates of public convenience and necessity pursuant to section 7 of the Natural Gas Act, authorizing the construction and operation of certain natural-gas transmission pipeline facilities, and for orders pursuant to section 7 (b) of the Natural Gas Act, authorizing and approving the abandonment and retirement of certain natural-gas facilities, as hereinafter described.

Manufacturers proposes to construct and operate approximately 3.2 miles of 20-inch, 2.69 miles of 16-inch, 0.5 mile of 12-inch, 1.0 mile of 10-inch, 2.10 miles of 8-inch, 9.13 miles of 6-inch and 7.37 miles of 4-inch natural-gas transmission pipeline at various points on its system in Pennsylvania and West Virginia, and in connection therewith to abandon and retire approximately 2.54 miles of 20-inch, 0.66 mile of 18-inch, 0.79 mile of 10-inch, 0.94 mile of 8-inch, 0.16 mile of 5-inch, 5.67 miles of 4-inch, 0.45 mile of 3-inch and 5.32 miles of 2-inch existing pipeline. Manufacturers also proposes to convert approximately 15,840 feet of 10-inch pipeline from its present use as a transmission line to use as a distribution line, and to abandon and dismantle its existing Mount Pleasant Compressor Station in Hancock County, West Virginia consisting of one 125 hp. compressor unit and necessary appurtenances.

Cumberland proposes to construct and operate approximately 12.38 miles of 6-inch and 4,550 feet of 4-inch natural-gas transmission pipeline at points on its system in Maryland and West Virginia, and in connection therewith to abandon and retire approximately 9.6 miles of 3-inch and 4-inch, 2.9 miles of 4-inch and 5,138 feet of 2-inch existing pipeline.

Home proposes to construct and operate approximately 16 miles of 12-inch natural-gas transmission pipeline paralleling a portion of its existing multiple transmission system between Olean and the Hudson River in New York.

Applicants state that by means of the proposed additional facilities the deliverability of their transmission systems will be increased and improved in the interest of flexibility, and that the retirement of facilities no longer used or useful in the public service, as proposed, will eliminate expenses in connection therewith. Applicants state that none of the

proposed facilities are being installed to serve new markets.

The total estimated net cost of retirement of existing facilities and of construction of additional facilities for Manufacturers is \$1,052,911, for Cumberland is \$245,152 and for Home is \$555,000. Such cost is proposed to be paid for by borrowing the major portion thereof from Applicants' parent company, The Columbia Gas System, Inc.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before the 1st day of August 1951. The application is on file with the Commission for public inspection.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 51-8190; Filed, July 17, 1951;
8:48 a. m.]

[Docket No. G-1735]

NORTH PENN GAS CO. AND CRYSTAL CITY
GAS CO.

NOTICE OF APPLICATION

July 12, 1951.

Take notice that North Penn Gas Company (North Penn) a Pennsylvania corporation, address, Port Allegany, Pennsylvania and its wholly-owned subsidiary, Crystal City Gas Company (Crystal City) a New York corporation, address, Corning, New York, filed on July 6, 1951, a joint application for a certificate of public convenience and necessity pursuant to section 7 of the Natural Gas Act, authorizing the construction and operation of approximately 10.3 miles of combined 12-inch and 10¾-inch natural-gas transmission pipeline, paralleling an equal length of existing 12-inch and 8-inch pipeline extending from Palmer Station in North Penn's Farmington Storage Area to a point known as the "Corning Y" in Steuben County, New York.

North Penn proposes to construct and operate 7 miles of 10¾-inch line and approximately 8,400 feet of 12-inch line in Pennsylvania, and Crystal City proposes to construct and operate the remaining 9,200 feet of 12-inch line in New York. Applicants propose, by means of said facilities, to increase the capacity of their existing systems by 36,000 Mcf per day of natural gas in order to provide for present and future growth requirements of customers in Corning and Elmira, New York.

The estimated total overall cost of the proposed facilities is \$239,369. The proposed financing will be out of current funds.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before the 1st day of August 1951. The joint application is on file with the Commission for public inspection.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 51-8191; Filed, July 17, 1951;
8:48 a. m.]

FEDERAL SECURITY AGENCY

Public Health Service

ORGANIZATION AND FUNCTIONS

REDESIGNATION OF MARINE HOSPITALS OF THE PUBLIC HEALTH SERVICE AS U. S. PUBLIC HEALTH SERVICE HOSPITALS

The Marine Hospitals of the Public Health Service are redesignated as U. S. Public Health Service Hospital, effective July 1, 1951. All references to "Marine Hospitals" and "U. S. Marine Hospitals" in previously published statements of the organization, functions and procedures of the Service (16 F. R. 1912), shall be read as "U. S. Public Health Service Hospitals."

Dated: July 11, 1951.

[SEAL] LEONARD A. SCHEELE,
Surgeon General.

Approved: July 12, 1951.

OSCAR R. EWING,
Federal Security Administrator.

[F. R. Doc. 51-8183; Filed, July 17, 1951;
8:49 a. m.]

SECURITIES AND EXCHANGE COMMISSION

[File Nos. 54-180, 59-97]

MISSION OIL CO. ET AL.

NOTICE OF FILING AND NOTICE OF AND ORDER FOR HEARING ON PLAN; NOTICE OF AND ORDER FOR HEARING, AND ORDER CONSOLI- DATING PROCEEDINGS

At a regular session of the Securities and Exchange Commission, held at its office in the city of Washington, D. C., on the 11th day of July A. D. 1951.

In the matter of the Mission Oil Co., Southwestern Development Company and subsidiaries; File No. 54-180, File No. 59-97.

I. Notice is hereby given that the Mission Oil Company ("Mission") a registered holding company and its subsidiary, Southwestern Development Company ("Southwestern"), also a registered holding company, and the subsidiaries of Mission and Southwestern have filed an application for approval of a plan pursuant to section 11 (e) of the Public Utility Holding Company Act of 1935 ("act") for the stated purpose of effectuating compliance by such companies with the provisions of section 11 (b) of the act.

All interested persons are referred to the application which is on file in the office of this Commission for a statement of the transactions therein proposed which may be summarized as follows:

Sinclair Oil Corporation ("Sinclair"), which has been granted an exemption from the provisions of the act, and Mission own, respectively, 51 percent and 47.23 percent of the voting securities of Southwestern. In addition, Sinclair holds 3.973 percent of the voting securities of Mission. Southwestern owns all of the outstanding securities of Amarillo Gas Company ("Amarillo Gas"), Amarillo Oil Company ("Amarillo Oil"), Clayton Gas Company ("Clayton"), Dalhart Gas Company ("Dalhart"), Red River Gas Company ("Red River") and

West Texas Gas Company ("West Texas"). Southwestern also owns all of the outstanding common stock of Canadian River Gas Company ("Canadian") and 42.5 percent of the common stock of Colorado Interstate Gas Company ("Colorado"). The remaining 57.5 percent of the common stock of Colorado is owned 15 percent by Public Service Company of Colorado and 42.5 percent by a group of investment bankers including Union Securities Corporation which is the largest holder of this block. The type of business and other data in respect of the various applicants are set forth in Part II hereinafter.

Briefly stated, the plan provides for the liquidation of Mission through the distribution to its stockholders of its holdings of common stock of Southwestern; the divestment by Sinclair of its interest in the common stock of Southwestern; the distribution by Southwestern to its stockholders of its holdings of common stock of Colorado following the merger of Colorado and Canadian into Colorado; the organization of a new corporation for the purpose of acquiring and holding certain natural gasoline rights now held by Canadian and Amarillo Oil, and the distribution of the stock of such new corporation to the stockholders of Southwestern. The securities to be received by Mission in connection with the distributions by Southwestern will also be distributed to Mission's stockholders, and the common stock of Colorado to be received by Sinclair in respect of such distributions will be disposed of as hereinafter provided.

The specific transactions proposed in the plan are as follows:

1. Southwestern will change its 40,806 outstanding shares of common stock, without par value, into 727,757.05 shares of common stock of the par value of \$5 per share, and will issue new certificates evidencing 727,757.05 shares in exchange for the certificates evidencing the outstanding 40,806 shares.

2. Colorado will change its 1,250,000 outstanding shares of common stock, without par value, into 1,710,016.69 shares of common capital stock of the par value of \$5 per share, and will issue new certificates evidencing said 1,710,016.69 shares of capital stock in exchange for certificates evidencing said 1,250,000 shares.

3. Canadian will organize a new corporation ("Gasoline Company") with a capitalization to consist entirely of 1,000,000 authorized shares of \$0.10 par value common stock.

4. Canadian will transfer to Gasoline Company all of the natural gasoline and other liquid hydrocarbons owned by Canadian in place and also 85 percent of the net earnings received by Canadian from the natural gasoline operations of Texoma Natural Gas Company (now merged with Natural Gas Pipeline Company of America), a non-affiliate, in exchange for 727,757.05 shares (100 percent) of the common stock of Gasoline Company.

5. Canadian and Gasoline Company will execute an operating agreement providing for the extraction and processing by Canadian of the natural gasoline and other liquid hydrocarbons to be owned

by Gasoline Company and for the sale by such company of the processed natural gasoline and other liquid hydrocarbons and for the payment by such company to Canadian of an amount equal to 50 percent of the gross proceeds of such sales.

6. Amarillo Oil will also transfer to Gasoline Company and to Canadian the right to 50 percent and 4.16 percent, respectively, of the gross proceeds from the sale of natural gasoline extracted from gas delivered by Canadian to Amarillo Oil for the use of West Texas pursuant to contract dated January 1, 1928.

7. Canadian will distribute all of the stock of Gasoline Company to Southwestern, the sole shareholder of Canadian; Southwestern will distribute such stock to its shareholders on the basis of one share of stock of Gasoline Company for each share of Southwestern; and Mission will distribute the shares of such stock, received from Southwestern, to Mission's stockholders on a share for share basis.

8. Canadian and Colorado will be merged into Colorado and the survivor ("Surviving Colorado") will issue 1,710,016.60 shares of common stock, of the par value of \$5 per share, to the stockholders of Colorado in exchange for 1,250,000 shares of the presently outstanding no par capital stock of Colorado on the basis of 1.36801328 shares for each present share; and Surviving Colorado will issue an additional 1,000 shares of its common stock to Southwestern in exchange for the 25,000 shares of capital stock of Canadian now owned by Southwestern. It appears from the application that the Federal Power Commission, by order issued July 20, 1950, found a merger of the facilities and properties of Canadian and Colorado to be in the public interest, and, on March 1, 1951, issued to Colorado a certificate of public convenience and necessity authorizing Colorado, subject to certain conditions, to acquire and operate the facilities and properties of Canadian.

9. Southwestern will distribute, pro rata, to its stockholders the shares of stock of Surviving Colorado to be received as above, and Mission will distribute to its stockholders the shares of such stock received pursuant to Southwestern's distribution on a share for share basis.

10. Mission will distribute to its stockholders its holdings of the common stock of Southwestern on a share for share basis, and Mission will be dissolved.

11. The application states that Sinclair will agree to dispose of the shares of Surviving Colorado and the shares of Southwestern to be received under the provisions of the plan, such dispositions to be made within one year from the effective date of the plan or within such longer period as the Commission may by order direct.

The applicants request the Commission by appropriate order to find that the plan is necessary or appropriate in the public interest or in the interest of investors and consumers or necessary or appropriate to effectuate the provisions of section 11 (b) of the act, and is fair and equitable to the persons affected thereby.

The Commission is further requested to approve the plan and authorize the applicants to proceed with the consummation thereof subject to the provisions of the Commission's Rule U-24: *Provided, however* That the steps or transactions of the plan regarding the proposed divestment may be carried out within one year from the effective date of the plan or within such longer time as the Commission may by order direct.

The plan further requests the Commission to enter an order or orders containing recitals conforming to the requirements of Supplement R and section 1808 (f) of the Internal Revenue Code, as amended.

II. The Commission having examined, pursuant to sections 11 (a) 18 (a) and 18 (b) of the act, the corporate structure of Mission, Southwestern, and their subsidiaries, the relationships among the companies in the holding company system, the character of the interests thereof and the properties owned or controlled thereby, to determine the extent to which the corporate structure of such holding company system and the companies therein may be simplified, unnecessary complexities eliminated, voting power fairly and equitably distributed among the security holders thereof, and the properties and businesses of such system confined to those necessary or appropriate to the operations of an integrated public utility system or systems under the standards of section 11 (b) of the act; and said examination having disclosed data establishing or tending to establish the following:

1. Mission is a corporation organized under the laws of the State of Kansas and maintains its principal office in Kansas City, Missouri. It is solely a holding company whose principal asset consists of 19,294 shares (47.3 percent) of the outstanding no par common stock of Southwestern. It renders no service, financial or otherwise, to any of the system companies. Of Mission's outstanding common stock about 24 percent is owned by Albert R. Jones (president and a director of Mission and a director of certain other system companies) and members of his family and associates, about 4 percent is owned by Sinclair and about 72 percent is widely distributed among public investors.

2. Southwestern, a corporation organized under the laws of the State of Colorado, maintains its principal office in New York City and is solely a holding company. At December 31, 1950, Southwestern had outstanding \$2,750,000 principal amount of 2½ percent unsecured five year notes payable to banks, and 40,806 shares of no par common stock. Southwestern's common stock is owned 51 percent by Sinclair, 47.3 percent by Mission and 1.7 percent by Albert R. Jones, members of his family and associates. Albert R. Jones is vice president and a director of Southwestern and Canadian, and a director of Colorado, Clayton, Amarillo Oil and West Texas.

3. Southwestern has eight subsidiaries of which four are gas utilities, one is a gas production company, one is a gas production and transmission company and the other two are gas transmission

companies. Six of these subsidiaries operate in the Texas Panhandle area and one small gas utility operates in northeastern New Mexico. The eight subsidiary, Colorado, owns two gas transmission lines extending from Clayton Junction, New Mexico to Denver, Colorado and from Lakin, Kansas to Denver. It supplies gas at wholesale to eastern Colorado and southeastern Wyoming markets and to Natural Gas Pipeline Company of America for sale at wholesale in Chicago and intermediate markets along the line. Colorado has on file with the Commission an application pursuant to section 2 (a) (8) (A) claiming an exemption as a subsidiary of Southwestern and of Mission and by virtue thereof is exempt as such subsidiary from the provisions of the act except section 9 (a) (2) (File No. 31-465). Colorado also claims exemption from the act pursuant to the provisions of Rule U-3D-15.

4. The names of the companies comprising the holding company system of Mission and Southwestern (their relationships being indicated by indentations), the states in which such companies are incorporated, and the percent of voting securities owned by the respective system companies, are shown in Table I below:

TABLE I

Name of company	State of organization	Percent of voting securities owned by system companies
Mission Oil Co.....	Kansas.....	47.3
Southwestern Development Co.....	Colorado.....	
Amarillo Gas Co.....	Texas.....	100.0
Amarillo Oil Co.....	do.....	100.0
Canadian River Gas Co.....	Delaware.....	100.0
Clayton Gas Co.....	New Mex. Co.....	100.0
Colorado Interstate Gas Co.....	Delaware.....	142.5
Dalhart Gas Co.....	Texas.....	100.0
Red River Gas Co.....	Delaware.....	100.0
West Texas Gas Co.....	do.....	100.0

¹ Public Service Co. of Colorado owns 15 percent and 5 investment banking firms own 42½ percent.

5. Southwestern owns all of the outstanding securities of Amarillo Gas, Amarillo Oil, Clayton, Dalhart, Red River and West Texas, including indebtedness consisting of 2½ percent and 3 percent notes aggregating \$6,154,830 at December 31, 1950. Southwestern owns all of the capital stock of Canadian and Colorado holds all of Canadian's outstanding indebtedness aggregating \$3,603,162 at December 31, 1950. Colorado's outstanding securities at December 31, 1950 consisted of \$18,400,000 principal amount of long term debt held by two institutional investors, \$2,000,000 par value of 6 percent preferred stock held by Sinclair and Tri-Continental Investment Company and common stock having a book value of \$12,739,000. Under existing contracts Colorado is obligated to supply Canadian with all of its capital requirements, pay a sufficient price for the gas purchased from Canadian to provide for servicing its indebtedness to Colorado and pay all operating expenses, other than depreciation and depletion,

and is entitled to all profits, on a cash basis, from Canadian's operations.

6. The subsidiaries of Southwestern, the states of operation and the kind of

business of each, together with the gross property accounts at December 31, 1950, and the gross revenues for the year 1950, are shown in the following table:

TABLE II

Name of company	Kind of operations	States of operations	Gross property	Operating revenues ¹
Amarillo Gas Co.	Natural gas utility	Texas	\$2,627,757	\$1,513,619
Amarillo Oil Co.	Natural gas transmission	do	2,317,652	155,413
Canadian River Gas Co.	Natural gas production and transmission	do	17,657,419	3,559,659
Clayton Gas Co.	Natural gas utility	New Mexico	150,414	73,573
Clayton Interstate Gas Co.	Natural gas transmission	Colorado, Kansas, New Mexico	20,553,752	14,791,613
Dalhart Gas Co.	Natural gas utility	Texas	212,670	10,773
Red River Gas Co.	Natural gas production	do	62,159	4,624
West Texas Gas Co.	Natural gas utility	do	16,621,429	4,574,559

¹ Including intercompany sales.

7. Amarillo Gas distributes natural gas to residential, commercial and industrial consumers in Amarillo, Texas and vicinity. It owns and operates approximately 338 miles of distribution mains of various sizes and purchases all of its gas from Amarillo Oil Company. At December 31, 1950 it served 22,919 meters.

8. Amarillo Oil owns and operates approximately 129 miles of transmission pipelines of various sizes for transporting natural gas within the State of Texas. Its principal customers are Amarillo Gas and American Smelting and Refining Company. It purchases natural gas from Canadian and a relatively small amount of residue gas from a United States Government helium plant. Under existing contracts Amarillo Oil is entitled to first preference to gas from Canadian's reserves.

9. Amarillo Oil renders administrative, financial and other services to associated companies in the Southwestern system, without having been authorized so to do by rule, regulation or order of the Commission.

10. Canadian produces and transmits natural gas and holds gas rights in 263,723 acres in the Texas Panhandle gas fields. It owns and operates 202 gas wells located on the above acreage and approximately 352 miles of gas transmission lines which connect with the pipeline system of Colorado at Clayton Junction, New Mexico. Canadian leases and utilizes a portion of the gas facilities owned by Natural Gas Pipeline Company of America for the purpose of delivering natural gas to that pipeline company at Gray, Oklahoma for the account of Colorado.

11. Colorado owns and operates two natural gas transmission pipelines, one extending about 254 miles from Clayton Junction, New Mexico to Denver, Colorado and the other about 230 miles from Lakin, Kansas to Denver. Through Canadian the company also supplies 25 percent of the natural gas requirements of Natural Gas Pipeline Company of America. It purchases natural gas from Canadian at Clayton Junction, New Mexico and from various producers in the Kansas-Hugoton Field.

12. Clayton owns and operates about 19 miles of distribution mains and distributes natural gas in the town of Clayton, New Mexico to domestic, commercial and industrial customers. On December

31, 1950 it served 10,011 meters. It purchases its gas supply from Canadian.

13. Dalhart distributes natural gas to domestic, commercial and industrial customers in Dalhart, Hartley, Texline and Channing, Texas. On December 31, 1950 it served 2,231 meters. It purchases all of its gas requirements from Canadian and Amarillo Oil.

14. Red River produces natural gas and holds gas rights in 12,433 acres located in the Texas Panhandle Field. It owns and operates gas wells on such acreage and also holds approximately 12,000 acres under contract. It sells gas to West Texas and Natural Gas Pipeline Company of America.

15. West Texas owns and operates about 1,856 miles of pipeline located in the State of Texas. It transports and distributes natural gas to domestic, commercial and industrial consumers in 47 towns located in the western part of Texas. It sells gas to Southern Union Gas Company, a non-affiliate, at the Texas-New Mexico boundary for resale in the State of New Mexico. West Texas purchases gas from nine companies, the principal ones being Red River, an associate in the Southwestern system, and El Paso Natural Gas Company, a non-affiliate. On December 31, 1950 it served 66,687 meters.

16. A copy of a map filed with the application indicating the location of the properties and the service areas of the system is attached.

17. Amarillo Oil acts as fiscal agent for its associate operating companies other than Colorado and Canadian. In such capacity such associate companies maintain deposits of funds with Amarillo Oil, which funds are advanced from time to time to the participating companies and interest charged therefor by the fiscal agent. Interest income is distributed from time to time to the participating companies in proportion to the amounts of their respective deposits. At December 31, 1950, Amarillo Oil owed such associate companies \$1,371,735.

18. It appears to the Commission that the holding company system of Mission and Southwestern may not be confined in its operations to those of a single integrated public utility system within the meaning of the act, or to those of a single integrated public utility system together with such additional integrated public utility systems as meet the standards of section 11 (b), (1) and such

other businesses as are retainable under the standards of that section.

19. It further appears to the Commission that Mission serves no useful purpose and that its continued existence unduly and unnecessarily complicates the corporate structure of the holding company system.

20. It further appears to the Commission that Amarillo Oil may be rendering services to associate companies in violation of section 13 of the act and Rule U-36 thereunder.

21. It also appears to the Commission that inter-company loans and advances are being made in violation of subdivisions (b) and (f) of section 12 and Rule U-45 thereunder.

III. It appearing to the Commission, on the basis of the facts and allegations herein set forth, that a proceeding should be instituted under sections 11 (b) (1) 11 (b) (2) 12 (b) 12 (f) and 13 (b) of the act with respect to Mission and Southwestern and their subsidiary companies to determine what steps, if any, should be taken by such companies pursuant to provisions of said sections; and

The Commission being required by the provisions of section 11 (e) of the act, before approving any plan thereunder, to find, after notice and opportunity for hearing, that such plan, as submitted or as it may be amended or modified, is necessary to effectuate the provisions of subsection (b) of section 11 of the act, and is fair and equitable to the persons affected by such plan; and

It further appearing to the Commission that it is appropriate in the public interest and in the interest of investors and consumers that a hearing be held with respect to the plan filed pursuant to section 11 (e) of the act and the proceedings instituted herein by the Commission under sections 11 (b) (1), 11 (b) (2), 12 (b), 12 (f) and 13 (b) of the act; and

It also appearing to the Commission that the said proceedings involve common questions of law and fact and should be consolidated and heard together:

It is hereby ordered, That a proceeding be and it hereby is instituted under sections 11 (b) (1) 11 (b) (2) 12 (b) 12 (f) and 13 (b) of the act directed to Mission, Southwestern and their subsidiary companies to determine what action, if any, should be ordered to be taken by the system companies to effectuate compliance with the requirements of said sections; that such proceeding be, and it hereby is, consolidated with the proceeding with respect to the plan filed herein pursuant to section 11 (e) and that a hearing in the consolidated proceeding under the applicable provisions of the act and the rules and regulations of the Commission thereunder be held on August 6, 1951, at 10:00 a. m., o'clock, e. d. s. t., at the office of the Securities and Exchange Commission, 425 Second Street NW., Washington 25, D. C. On that day the hearing room clerk in Room 193 will advise as to the room in which the hearing will be held.

The Division of Public Utilities of the Commission having advised the Commission that it has made a preliminary

examination of the application and, upon the basis thereof, and upon the basis of the statements and allegations contained in Part II hereof, the following matters and questions are presented for consideration without prejudice, however, to additional matters and questions being specified upon further examination:

1. Whether the plan as submitted or as it may be hereafter amended or modified is necessary to effectuate the provisions of section 11 (b) of the act, and is fair and equitable to the persons affected thereby, and if not, in what respect said plan, including any amendments thereto, should be further amended or modified;

2. Whether the proposed transfer by Canadian of the gasoline rights to Gasoline Company, the proposed transfer by Southwestern to Colorado of the common stock of Canadian, the proposed issuance of common stock by Gasoline Company and the acquisition thereof by Canadian and Southwestern are consistent with the applicable provisions of sections 7, 10, 11 and 12 (f) of the act and Rule U-43 thereunder.

3. Whether the proposed merger of Canadian and Colorado and the proposed issuance and acquisition of securities and other transactions incident thereto satisfy the applicable statutory standards of sections 7, 10 and 12 (f) and Rule U-43 and are fair and equitable to the persons affected thereby, and what terms and conditions, if any, should be imposed in respect thereof.

4. Whether the proposed distributions by Southwestern and Mission of their holdings of the common stock of Surviving Colorado and of Gasoline Company are appropriate in the public interest and in the interest of investors and consumers; and what terms and conditions, if any, should be imposed in respect thereof.

5. Whether the proposed acquisition by Albert R. Jones, members of his family, and associates of the common stock of Southwestern satisfies the applicable provisions of sections 9 (a) (2) and 10 of the act and whether any terms and conditions should be imposed in respect thereof.

6. Whether the proposed accounting treatment to record the various transactions set forth in the plan conforms to sound accounting principles and complies with the applicable provisions of the Uniform System of Accounts for Public Utility Holding Companies.

7. What terms and conditions, if any, with respect to the proposed transactions should be prescribed in the public interest or for the protection of investors and consumers.

8. Whether the fees and expenses which may be requested by any interested person in connection with the plan or the transactions therein proposed are for necessary services, reasonable in amount and fairly allocated.

9. Whether the allegations contained in Subdivision II hereof are true and correct.

10. Whether the operations of the holding company system are confined to those of a single integrated public utility system within the meaning of the

act, or those of a single integrated public utility system, together with such additional integrated public utility systems as meet the standards of section 11 (b) (1) and such other businesses as are retainable under the standards of that section, and if not, what action should be ordered to be taken by the system companies to effectuate compliance with the standards of said section.

11. Whether the corporate structure or continued existence of any company in the holding company system unduly or unnecessarily complicates the structure of the system or unfairly or inequitably distributes voting power among security holders thereof, and if so, what action should be required with respect thereto pursuant to the standards of section 11 (b) (2).

12. Whether Southwestern or any of its subsidiaries, in the conduct of their business, make intercompany loans and extensions of credit which are inconsistent with the provisions of subdivisions (b) and (f) of section 12 of the act and Rule U-45 thereunder and, if so, what action should be taken in respect thereof to insure compliance with the standards of that section.

13. Whether Amarillo Oil or any other system company is rendering legal, financial, accounting or other services in contravention of the provisions of section 13 of the act and Rule U-86 thereunder and, if so, what action, should be taken in respect thereof to insure compliance therewith.

It is further ordered, That at said hearing particular attention shall be directed to the foregoing matters.

It is further ordered, That jurisdiction be and it hereby is reserved to separate, either for hearing in whole or in part or for disposition either in whole or in part any issues or questions which may arise in these proceedings, and to take such other action as may appear conducive to an orderly, prompt, and economical disposition of the matters involved.

It is further ordered, That Mission, Southwestern and their subsidiary companies file with the Secretary of the Commission on or before the 23d day of July 1951, their joint and several answers, in the form prescribed by Rule U-25 of the rules and regulations under the act, admitting, denying or otherwise explaining their respective positions as to each of the allegations set forth in Subdivision II hereof. Such answers may also include statements by respondents of their views as to what action, if any, should be taken to limit the operations of the holding company system in accordance with the integration standards of section 11 (b) (1) of the act, and as to what action, if any, should be taken to bring the corporate structure into conformity with the provisions of section 11 (b) (2) of the act, and as to what action, if any, should be taken to bring the system companies into conformity with other provisions of the act. In lieu of statements of views as aforesaid, respondents may, if they so desire, file a further plan or plans or amendments to the plan which is on file for the purpose of achieving compliance with sections 11 (b) (1) 11 (b) (2) and other applicable provisions of the act.

It is further ordered, That Richard Townsend or any other officer or officers of the Commission designated by it for that purpose, shall preside at the hearing of the above matters. The officer so designated to preside at the hearing is hereby authorized to exercise all powers granted to the Commission under section 18 (c) of the act and to a hearing officer under the Commission's rules of practice.

Notice is hereby given of said hearing to the above named applicants and respondents, to the Federal Power Commission, the Public Service Commission of Colorado, the Public Service Commission of New Mexico, the Railroad Commission of Texas, the State Corporation Commission of Kansas, Natural Gas Pipeline Company of America, Sinclair Oil Corporation, and Albert R. Jones of Kansas City, Missouri, and to all interested persons; said notice to be given to Mission, Southwestern and each of their subsidiary companies and to Albert R. Jones and the above named corporations and Commissions by registered mail, and to all other persons by publication of this notice and order in the FEDERAL REGISTER; and a general release of the Commission with respect to this notice and order shall be distributed to the press and mailed to the mailing lists for releases issued under the Public Utility Holding Company Act of 1935. It is requested that any person desiring to be heard in connection with these proceedings, or proposing to intervene herein, shall file with the Secretary of the Commission, on or before August 3, 1951, his request or application therefor, as provided by Rule XVII of the Commission's rules of practice. Such request shall set forth the nature of such person's interest in the proceedings, the reasons for requesting to be heard or to intervene, and which of the allegations and issues, as set forth above, such person proposes to controvert, together with a statement of any additional issues proposed to be raised in the proceedings herein.

It is further ordered, That Mission and Southwestern shall mail a copy of this notice and order at least fifteen days prior to August 6, 1951, to each of its security holders of record as of a date not earlier than July 10, 1951, at his recorded address; and that there shall be enclosed therewith a statement that the applicants may modify the plan by amendment without further communication with the security holders, unless otherwise ordered by the Commission or unless information with respect to amendments is requested by individual security holders.

By the Commission.

[SEAL] NELLYE A. THORSEN,
Assistant Secretary.

[F. R. Doc. 51-8171; Filed, July 17, 1951;
8:46 a. m.]

[File No. 70-2330]

GEORGIA POWER Co.

SUPPLEMENTAL ORDER RELEASING JURISDICTION OVER LEGAL FEES AND EXPENSES

At a regular session of the Securities and Exchange Commission, held at

its office in the city of Washington, D. C., on the 11th day of July 1951.

Georgia Power Company ("Georgia") a public utility subsidiary of the Southern Company, a registered holding company, having filed an application and amendments thereto, pursuant to section 6 (b) of the Public Utility Holding Company Act of 1935 (the "act") and Rule U-50 promulgated thereunder, relating to the proposed issuance and sale by Georgia, pursuant to the competitive bidding requirements of Rule U-50, of \$15,000,000 principal amount of its First Mortgage Bonds, 2½ percent Series, due 1980; and

The Commission by orders dated March 31, 1950, and April 5, 1950 (Holding Company Act Release Nos. 9755 and 9790) having granted said application, as amended, and said orders having contained a reservation of jurisdiction with respect to, among other things, the payment of legal fees and expenses in connection with the proposed transaction; and

Georgia having filed a further amendment herein proposing to pay its counsel, Winthrop, Stimson, Putnam & Roberts, compensation of \$11,500 for legal services and up to \$200 for out-of-pocket expenses, and further proposing the payment to Simpson Thacher & Bartlett compensation of \$8,000 and reimbursement for expenses up to \$400 for legal services as counsel to underwriters, such sums to be paid by Halsey, Stuart & Co., Inc., the successful bidder for the bonds; and

The Commission having examined the information furnished with respect to such fees and expenses and it appearing that such fees and expenses are not unreasonable;

It is ordered, That the jurisdiction heretofore reserved herein over the payment of legal fees and expenses be, and the same hereby is, released.

By the Commission.

[SEAL] NELLYE A. THORSEN,
Assistant Secretary.

[F. R. Doc. 51-8170; Filed, July 17, 1951;
8:46 a. m.]

[File No. 70-2650]

NARRAGANSETT ELECTRIC CO.

ORDER AUTHORIZING ISSUANCE OF PRINCIPAL
AMOUNT OF PROMISSORY NOTES

At a regular session of the Securities and Exchange Commission, held at its office in the city of Washington, D. C., on the 11th day of July A. D. 1951.

The Narragansett Electric Company ("Narragansett") a subsidiary of New England Electric System ("NEES") a registered holding company, having filed a declaration, and an amendment thereto, pursuant to section 7 of the Public Utility Holding Company Act of 1935 ("act") and Rule U-42 (b) (2) promulgated thereunder, with respect to the following transactions:

Narragansett proposes to borrow not to exceed in the aggregate \$3,400,000 from time to time prior to September 30, 1951 and to issue unsecured promissory

notes in evidence thereof, and further proposes that the maximum amount of all of its unsecured promissory notes outstanding at any one time prior to September 30, 1951 be not in excess of \$5,800,000. The borrowings would be made from one or more of the following banks or trust companies:

The Industrial Trust Co., Providence, R. I.
The Phenix National Bank of Providence, Providence, R. I.
Providence Union National Bank & Trust Co., Providence, R. I.
Rhode Island Hospital National Bank, Providence, R. I.
Rhode Island Hospital Trust Co., Providence, R. I.
The First National Bank of Boston, Boston, Mass.

The proposed notes will mature not later than six months after the respective dates thereof and will bear interest at the prevailing rates for such notes. Narragansett states that it believes that such interest rate will not exceed 2½ percent per annum. In the event that the interest rate on any of the notes should exceed 2¾ percent per annum, the company will file an amendment to its declaration setting forth the name of the bank or banks to which said notes are proposed to be issued and the terms of said note or notes, including the interest rate, at least five days prior to the execution and delivery thereof, and requests that said amendment become effective without further order of the Commission at the end of the five day period unless the Commission shall have notified the company to the contrary.

Narragansett presently has outstanding \$3,850,000 principal amount of unsecured short-term promissory notes. The proceeds to be derived from the proposed issuance of \$3,400,000 principal amount of notes will be applied to the payment of \$1,450,000 principal amount of the presently outstanding notes maturing prior to September 30, 1951 and the balance of \$1,950,000 will be used to finance construction requirements through September 30, 1951 or to reimburse the treasury because of prior construction expenditures.

The declaration states that Narragansett expects that the proposed note indebtedness will be financed permanently through the issuance of common stock to NEES in the latter part of 1951 and has been advised that NEES expects to have the necessary funds to invest in such common stock from the proceeds of the sale of its system gas properties located in Massachusetts.

The declaration states that there are no fees, commissions or other remuneration involved in connection with the proposed transactions except that incidental services will be performed at cost by New England Power Service Company, an affiliated service company, such cost being estimated not to exceed \$750.

Narragansett represents that no regulatory authority, other than this Commission, has jurisdiction over the proposed transactions.

Said declaration having been filed on June 12, 1951, and an amendment thereto having been filed on June 21, 1951, and notice of said filing having been duly given in the form and manner prescribed

by Rule U-23 promulgated pursuant to said act, and the Commission not having received a request for a hearing with respect to said declaration within the period specified in said notice, or otherwise, and not having ordered a hearing thereon; and

The Commission finding with respect to said declaration, as amended, that the applicable provisions of the act and the rules and regulations thereunder have been satisfied, that there is no basis for adverse findings, that the expenses are not unreasonable, and deeming it appropriate in the public interest and in the interest of investors or consumers to permit said declaration, as amended, to become effective, and also deeming it appropriate to grant declarant's request that the order herein become effective upon its issuance:

It is ordered, Pursuant to Rule U-23 and the applicable provisions of said act, that said declaration, as amended, be and the same hereby is, permitted to become effective, subject to the terms and conditions prescribed in Rule U-24.

It is further ordered, That this order shall become effective upon the issuance thereof.

By the Commission.

[SEAL] NELLYE A. THORSEN,
Assistant Secretary.

[F. R. Doc. 51-8163; Filed, July 17, 1951;
8:45 a. m.]

[File No. 70-2651]

MISSISSIPPI POWER CO.

ORDER PERMITTING SUBMISSION OF PRINCIPAL
AMOUNT FIRST MORTGAGE BONDS TO COM-
PETITIVE BIDDING

At a regular session of the Securities and Exchange Commission, held at its office in the city of Washington, D. C., on the 11th day of July 1951.

Mississippi Power Company ("Mississippi Power"), a public utility subsidiary of the Southern Company, a registered holding company, having filed a declaration, and amendments thereto, pursuant to sections 6 (a) and 7 of the Public Utility Holding Company Act of 1935 and Rule U-50 promulgated thereunder regarding the following proposed transactions:

Mississippi Power proposes to issue and sell pursuant to the competitive bidding requirements of Rule U-50 under the act, \$4,000,000 principal amount of its First Mortgage Bonds, — percent Series, due 1931 to be issued under and secured by Mississippi Power's present indenture dated as of September 1, 1941, as heretofore supplemented, and to be supplemented by an indenture to be dated as of August 1, 1951.

The invitations for bids will provide that each bid shall specify the coupon rate for the new bonds, which shall be a multiple of ½ percent and the price to be paid the Company, exclusive of accrued interests, which price shall be not less than 100 percent nor more than 102.75 percent of the principal amount of said bonds, plus accrued interest from August 1, 1951.

The proceeds from the sale of the bonds will be utilized in connection with Mississippi Power's construction program which the Company estimates will require expenditures aggregating \$16,500,000 during the three-year period 1951 through 1953. The Company also estimates that, in order to finance its construction program, it will be necessary to raise about \$5,000,000 of additional cash before the end of 1953 through the sale of additional securities of a type not yet determined.

Notice of the filing of the declaration, as amended, having been duly given in the form and manner prescribed by Rule U-23 promulgated pursuant to the Act and the Commission not having received a request for a hearing and not having ordered a hearing thereon; and

The Commission finding with respect to the declaration, as amended, that the requirements of the applicable provisions of the act and rules promulgated thereunder are satisfied, that no adverse findings are necessary, and deeming it appropriate in the public interest and in the interest of investors and consumers that said declaration, as amended, be permitted to become effective, and deeming it further appropriate to grant the request of the declarant that the Commission's order herein become effective forthwith:

It is ordered, Pursuant to said Rule U-23 and the applicable provisions of the act that this declaration, as amended, be, and the same hereby is, permitted to become effective forthwith, subject to the terms and conditions prescribed in Rule U-24, and to the following additional terms and conditions:

(1) That the proposed issuance and sale by Mississippi Power of \$4,000,000 principal amount of First Mortgage Bonds, ---- percent series, due 1981, shall not be consummated until the results of competitive bidding, held with respect thereto, shall have been made a matter of record in this proceeding, and a further order shall have been entered by this Commission in the light of the record so completed, which order shall contain such further terms and conditions, if any, as may then be deemed appropriate, for which purpose jurisdiction be, and the same hereby is, reserved.

(2) That jurisdiction be reserved as to any and all fees and expenses incurred or to be incurred in connection with the consummation of the proposed transactions.

By the Commission.

[SEAL] NELLYE A. THORSEN,
Assistant Secretary.

[F. R. Doc. 51-8169; Filed, July 17, 1951;
8:46 a. m.]

[File No. 70-2659]

SOUTHERN NATURAL GAS CO.

NOTICE OF FILING REGARDING ISSUANCE
OF NOTES

At a regular session of the Securities and Exchange Commission, held at its office in the city of Washington, D. C., on the 11th day of July A. D. 1951.

Notice is hereby given that Southern Natural Gas Company ("Southern") a registered holding company which is also engaged in the business of transporting natural gas, has filed a declaration with this Commission under the Public Utility Holding Company Act of 1935 ("act") and has designated section 7 of the act as being applicable to the proposed transactions.

All interested persons are referred to said declaration which is on file in the office of this Commission for a statement of the transactions therein proposed, which may be summarized as follows:

Southern proposes to enter into a Loan Agreement with the Chase National Bank of the City of New York and certain other banks, ("Banks") pursuant to which it proposes to borrow an aggregate principal amount of \$5,500,000 on or prior to September 4, 1951, and to issue its notes in evidence thereof. The notes evidencing the loans are to be payable two years after date of the loans and are to bear interest from such date at the rate of $2\frac{3}{4}$ percent per annum for the first year and thereafter, until maturity, at the rate of $2\frac{3}{4}$ percent per annum or a rate which shall be $\frac{1}{4}$ of 1 percent above the prime commercial rate of the Chase National Bank of the City of New York for unsecured loans (whichever shall be greater) but in no event more than 3 percent per annum. The Loan Agreement provides, among other things, that the notes may be prepaid without premium, unless prepaid from proceeds of bank loans carrying an interest rate of less than $2\frac{3}{4}$ percent.

The filing states that the holders of the outstanding $2\frac{1}{2}$ percent promissory notes of the Company dated June 29, 1948, evidencing bank loans made to Southern pursuant to a Loan Agreement dated May 1, 1946, as later amended by an Agreement and Consent dated May 14, 1948, will consent to the incurring of the proposed indebtedness by the Company, as required by the above mentioned Loan Agreement, as amended.

Southern proposes to use the proceeds from the above mentioned loans, together with other funds, toward its construction program for 1951 estimated at approximately \$16,520,000.

Southern contemplates that during the year 1952 it will undertake the construction of further substantial additions and extensions to its system and, in connection therewith, will require a substantial amount of additional funds. The Company states that a major financial program will be undertaken sometime in 1952 and that, as a part of such program, provision will be made for the payment of the proposed notes. The filing indicates that upon the completion of the Company's 1951 construction program, the net amount of unfunded property additions would amount to more than \$11,000,000 an amount sufficient for the issuance of first mortgage bonds (at 60 percent under the provisions of the company's Indenture) in a principal amount of more than \$6,600,000 and that if the contemplated financing program is not consummated prior to the maturity of the proposed notes, the notes could be paid from the proceeds of first mortgage

bonds issued on the basis of 1951 property additions.

The declarant states that no fees, commissions or other remunerations are to be paid in connection with the issuance of the notes and estimates its miscellaneous expenses at approximately \$1,000.

Notice is further given that any interested person may, not later than July 26, 1951, at 5:30 p. m., e. d. s. t., request the Commission in writing that a hearing be held on such matter, stating the reasons for such request, the nature of his interest, and the issues of fact or law raised by said declaration, as filed or as amended, which he desires to controvert, or may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, 425 Second Street NW., Washington 25, D. C. At any time after July 26, 1951, said declaration, as filed or as amended, may be permitted to become effective as provided in Rule U-23 of the rules and regulations promulgated under the act, or the Commission may exempt such transactions as provided in Rules U-20 (a) and U-100 thereof.

By the Commission.

[SEAL] NELLYE A. THORSEN,
Assistant Secretary.

[F. R. Doc. 51-8167; Filed, July 17, 1951;
8:45 a. m.]

PITTSBURGH STOCK EXCHANGE

RECORD DISPOSAL PLAN

The Securities and Exchange Commission today announced that it had declared effective a Plan filed on June 8, 1951 by the Pittsburgh Stock Exchange pursuant to § 240.17a-6 (Rule X-17A-6) under the Securities Exchange Act of 1934, for the disposal of all applications, reports, and documents filed with that Exchange prior to January 1, 1946, pursuant to sections 12, 13, 14, and 16 of the Securities Exchange Act of 1934, or any rule or regulation promulgated by the Commission pursuant to any of such sections.

The Pittsburgh Stock Exchange proposes to commence the disposition of the specified material as soon as practicable. The Plan also contemplates that thereafter, as soon as practicable after January 1st of each year, regular disposition will be made of similar material which has been on file more than five years. Notice of the Commission's proposal to declare this Plan effective was published for comment in Securities Exchange Act Release No. 4616.

The purpose of the Plan is to alleviate the record storage problem of the Exchange and to facilitate the availability of material filed with the Exchange within five years. Information contained in the material to be disposed of by the Exchange is on file with the Commission where it will continue to be available.

The text of the Commission's action follows:

The Securities and Exchange Commission, acting pursuant to the Securities Exchange Act of 1934, particularly

sections 17 (a) 23 (a) and 24 (b) thereof and § 240.17a-6 thereunder, having due regard for the public interest and for the protection of investors, and deeming it necessary in the public interest, for the protection of investors and for the exercise of the functions vested in it, does hereby declare effective the Plan filed on June 8, 1951 by the Pittsburgh Stock Exchange pursuant to § 240.17a-6, on condition that if at any time it appears to the Commission necessary or appropriate in the public interest or for the protection of investors so to do, the Commission may suspend or terminate the effectiveness of the said Plan by sending at least 10 days written notice to the Pittsburgh Stock Exchange.

The Commission finds that § 240.17a-6 and this action taken thereunder have the effect of granting exemption and relieving restriction, and that this action may be and is hereby declared to be effective July 10, 1951.

By the Commission.

[SEAL] NELLYE A. THORSEN,
Assistant Secretary.

JULY 16, 1951.

[F. R. Doc. 51-8172; Filed, July 17, 1951;
8:46 a. m.]

UNITED STATES TARIFF COMMISSION

[Investigation 4]

EDIBLE TREE NUTS

NOTICE OF INVESTIGATION AND HEARING

The United States Tariff Commission, on the 12th day of July 1951, ordered a public hearing in the above entitled investigation, to be held on the 5th day of September 1951, at 10 a. m., in the Hearing Room, Tariff Commission Building, 8th and E Streets NW., Washington, D. C.

The investigation under section 22 of the Agricultural Adjustment Act with respect to Edible Tree Nuts was instituted on the 13th day of April 1950 (15 F. R. 2189) for the purpose of determining whether imports of almonds, filberts, walnuts, Brazil nuts, or cashews are materially interfering with programs of the United States Department of Agriculture with respect to almonds, filberts, walnuts, or pecans.

In November 1950 the Commission submitted an interim report to the President in which it stated that there was at that time no basis for any action under section 22 with respect to tree nuts, but that the Commission was continuing the investigation and would "keep in touch with the provisions and operations of marketing agreements and other programs with respect to domestic tree nuts" and "keep close watch on the course of domestic and foreign production, on the course of imports of tree nuts into the United States, on the trend of prices, and on other factors affecting the competition between domestic and imported tree nuts."

The purpose of the hearing on September 5, 1951 is to receive information and views from interested parties on agricultural programs with respect to domestic tree nuts which will be in opera-

tion for the crop year 1951-52, and on the question as to what action, if any, should be taken under section 22 with respect to imports.

Request to appear. Interested parties desiring to appear and be heard at the public hearing should notify the Secretary of the Commission in writing at its offices in Washington, D. C., in advance of the date set for the hearing.

I hereby certify that the above hearing was ordered by the United States Tariff Commission on the 12th day of July 1951.

DOWN N. BERT,
Secretary.

[F. R. Doc. 51-8185; Filed, July 17, 1951;
8:49 a. m.]

DEPARTMENT OF JUSTICE

[Order No. 3732, Supp. 51]

OFFICE OF ALIEN PROPERTY

AMENDMENT TO ORDER OF ESTABLISHMENT

The order establishing the Office of Alien Property, as amended, 13 F. R. 5660, formerly codified as § 51.81, Chapter I, Title 28, Code of Federal Regulations, the codification of which has been discontinued, 13 F. R. 8291, is hereby amended, effective as of June 15, 1951, to read as follows:

1. There is created in the Department of Justice the Office of Alien Property, at the head of which shall be a Director.

2. All the authority, rights, privileges, powers, duties, and functions vested in or transferred to the Attorney General by Executive Orders No. 9788 of October 14, 1946, No. 9989 of August 20, 1948, No. 10244 of May 17, 1951, and No. 10254 of June 15, 1951, are hereby placed in the Office of Alien Property, Department of Justice.

(R. S. 161, 5 U. S. C. 22; ccc. 5, 40 Stat. 415, as amended, 50 U. S. C., App. 5; Reorganization Plan No. 2 of 1950, 64 Stat. 1261; E. O. 8389, April 10, 1940, 5 F. R. 1400, as amended by E. O. 8785, June 14, 1941, 6 F. R. 2337; E. O. 8832, July 26, 1941, 6 F. R. 3716; E. O. 8963, Dec. 9, 1941, 6 F. R. 6343; E. O. 8393, Dec. 26, 1941, 6 F. R. 6785; E. O. 9193, July 6, 1942, 7 F. R. 5205; 3 CFR, 1943 Cum. Supp., E. O. 9788, Oct. 14, 1946, 3 CFR, 1946 Supp., E. O. 9989, Aug. 20, 1948, 13 F. R. 4331, 3 CFR, 1948 Supp.; E. O. 10244, May 17, 1951, 16 F. R. 4639; E. O. 10254, June 15, 1951, 16 F. R. 5829)

Dated: July 12, 1951.

J. HOWARD McGRATH,
Attorney General.

[F. R. Doc. 51-8189; Filed, July 17, 1951;
8:48 a. m.]

Office of Alien Property

AUTHORITY: 40 Stat. 411, 55 Stat. 839, Pub. Laws 322, 671, 79th Cong., 60 Stat. 59, 835; 50 U. S. C. and Supp. App. 1, § 16; E. O. 9193, July 6, 1942, 3 CFR, Cum. Supp., E. O. 9537, June 8, 1945, 3 CFR, 1945 Supp., E. O. 9788, Oct. 14, 1946, 11 F. R. 11981.

[Vesting Order 18151]

HEINE & Co. A. G.

In re: Rights and Interests of Heine & Co. A. G. of Germany in trademarks of Heine & Co., of New York, N. Y.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Heine & Co. A. G., the last known address of which is Germany, is a corporation, partnership, association or other business organization, organized under the laws of Germany, and which has or, on or since the effective date of Executive Order 8389, as amended, has had its principal place of business in Germany, and is a national of a designated enemy country (Germany).

2. That the property described as follows: All right, title and interest of whatsoever kind or nature, including without limitation any reversionary interest, under the statutory or common law of the United States and of the several states thereof, of Heine & Co. A. G., its successors or assigns, in and to any and all good will of the business in the United States of Heine & Co., New York, and in and to any and all registered trademarks and trade names appurtenant to such business, and in and to every license, agreement, privilege, power and right of whatsoever kind or nature arising under or with respect thereto,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany) and is property of, or is property payable or held with respect to trademarks or rights related thereto to which interests are held by, and such property itself constitutes interests held therein by, the aforesaid national of a designated enemy country (Germany),

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on July 12, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 51-8105; Filed, July 17, 1951;
8:29 a. m.]

[Vesting Order 18152]

FRANZ XAVIER DICHISER ET AL.

In re: Interests in oil, gas and other minerals in and under certain real property owned by and debts owing to Franz Xaver Dichiser, and others. D-28-12427.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Franz Xaver Dichiser, Wilhelm Dichiser, Rosa Eple, nee Weckenmann, Josef Alois Weckenmann, Elizabeth Sappe, nee Weckenmann, Karl Josef Weckenmann, Anna Marie Mussbaumer, nee Weckenmann, Thekla Theresia Becker, nee Weckenmann, Marie Magdalena Schafer, nee Weckenmann, Josef Kussmann, Rosa Hartlieb, nee Kussmann, Lina Schneider, nee Kussmann, Frieda Stoll, nee Kussmann, Friedrich Wilhelm Kussmann, Ruth Kussmann, Franz Anton Lichter, Wilhelm Lichter, Anna Barbara Lichter, Maria Rosa Zoller, nee Lichter, Marie Elizabeth Lichter, Johann Jakob Lichter, Marta Franziska Lichter, Elizabeth Gantner, nee Lichter, and Wilhelm Lichter, each of whose last known address is Germany, are residents of Germany and nationals of a designated enemy country (Germany)

2. That the property described as follows:

a. An undivided forty-seven forty-eighth (47/48ths) interest in one-half (1/2) of the royalty (being not less than one sixteenth (1/16) of the gross produced) upon all oil, gas and other minerals produced and saved from the following described lands in the County of Harris, State of Texas, to-wit:

The South Half (S 1/2) of that certain sixty-six (66) acres out of the 640 acres originally granted to W. P. Ketchum, assignee of H. T. & Brazoria R. R. Co. by virtue of certificate No. 613, said land being situated about 18 miles northwest from Houston and having been sold by A. H. Beazley and Florence Beazley to D. Musgrove by deed dated May 11, 1904 and recorded in Vol 65, Page 317 of Harris County Deed Records and having been sold by D. Musgrove and wife, S. F. Musgrove, by deed to R. Hansen, dated July 8, 1908, and recorded in Harris County Deed Records, and having been sold to F. A. Lichter March 18, 1913, and recorded in Vol. 303, Page 205, of Harris County Deed Records, said 66 acres being the west part of the tract sold to F. A. Lichter, as aforesaid,

said one-half royalty being the one-half royalty reserved to the grantor in that certain deed executed on November 8, 1937 by J. F. Bahr, Executor and Trustee, under the Estate of F. A. Lichter, deceased, to R. M. Thornton, Jr. and recorded in Volume 1073, Page 475 of Harris County Deed Records, together with any and all rents, refunds, royalties, payments or other benefits arising from the ownership of such interest,

b. An undivided forty-seven forty-eighths (47/48ths) interest in 1/8 of 7/8 of the first oil and/or gas, if, as and when produced, saved and sold from the lands described in subparagraph 2-a hereof, being the 1/8 of 7/8 of the first oil and/or gas in said lands (and other lands) reserved in (and subject to the limitations set forth in) that

certain assignment of oil and gas lease executed on December 22, 1937, by J. F. Bahr, Independent Executor and Trustee of the Estate of F. A. Lichter, deceased, and Mary Lichter, as assignors, to the Superior Oil Company, a California Corporation, and recorded in Volume 307, Page 206 of Harris County Contracts Records, together with any and all rents, refunds, royalties, payments or other benefits arising from the ownership of such interest, and

c. Those certain debts or other obligations owing to the persons named in subparagraph 1 hereof by M. H. Harrell, 1053 Mellie Hesperson Building, Houston, Texas, arising out of the interests described in subparagraphs 2-a and 2-b hereof, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid nationals of a designated enemy country (Germany)

and it is hereby determined:

3. That to the extent that the persons named in subparagraph 1 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany)

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described in subparagraphs 2-a and 2-b hereof, subject to recorded liens, encumbrances and other rights of record held by or for persons who are not nationals of designated enemy countries, and

There is hereby vested in the Attorney General of the United States the property described in subparagraph 2-c hereof,

All such property so vested to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on July 12, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director Office of Alien Property.

[F. R. Doc. 51-8197; Filed, July 17, 1951; 8:50 a. m.]

[Vesting Order 18154]

RENEE FUCHS

In re: Estate of Renee Fuchs, deceased. File No. F-28-25408-E1.

Under the authority of the Trading With the Enemy Act, as amended, Exec-

utive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Mika Strakasch, Fini Strakasch, Lita Lindner, also known as Melitta Lindner and Hermance Matzner, whose last known address is Germany, are residents of Germany and nationals of a designated enemy country (Germany)

2. That all right, title, interest and claim of any kind or character whatsoever of the persons named in subparagraph 1 hereof, in and to the Estate of Renee Fuchs, deceased, is property payable or deliverable to, or claimed by, the aforesaid nationals of a designated enemy country (Germany),

3. That such property is in the process of administration by Francis J. Mulligan, Public Administrator, as administrator, acting under the judicial supervision of the Surrogate's Court, New York County, New York, New York;

and it is hereby determined:

4. That to the extent that the persons named in subparagraph 1 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany)

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on July 12, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director Office of Alien Property.

[F. R. Doc. 51-8199; Filed, July 17, 1951; 8:50 a. m.]

[Vesting Order 18155]

CORNELIA PAULINE HOHNE DETTE AND
IRENE JOHANNA HOHNE FORSTER

In re: Securities owned by and debts owing to Cornelia Pauline Hohne Dette and Irene Johanna Hohne Forster. F-28-6560-A-1, F-28-6561-A-1, F-28-6562-A-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Cornelia Pauline Hohne Dette and Irene Johanna Hohne Forster, each of whose last known address is Berlin-Schöneberg, Hauptstrasse 11, Germany,

are residents of Germany and nationals of a designated enemy country (Germany)

2. That the property described as follows:

a. All those securities (including, without limitation, bonds, coupons, mortgage participation certificates, shares of stock, scrip and warrants) in an account maintained with the Central Hanover Bank and Trust Co., 70 Broadway, New York 15, New York, entitled "Cornelia Dette," account No. A9859-C, together with any and all rights thereunder and thereto, and any and all declared and unpaid dividends on any shares of stock in said account, and

b. That certain debt or other obligation of Central Hanover Bank and Trust Co., 70 Broadway, New York 15, New York, arising out of a bank deposit in the name of Cornelia Dette, maintained with the aforesaid bank and constituting income from and accumulations on the securities described in subparagraph 2a hereof, together with any and all accruals to the aforesaid debt or other obligation, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, Cornelia Pauline Hohne Dette, the aforesaid national of a designated enemy country (Germany)

3. That the property described as follows:

a. All those securities (including, without limitation, bonds, coupons, mortgage participation certificates, shares of stock, scrip and warrants), in an account maintained with the Central Hanover Bank and Trust Co., 70 Broadway, New York 15, New York, entitled "Mrs. Irene Johanna Forster," account No. A12259-C, together with any and all rights thereunder and thereto, and any and all declared and unpaid dividends on any shares of stock in said account, and

b. That certain debt or other obligation of Central Hanover Bank and Trust Co., 70 Broadway, New York 15, New York, arising out of a bank deposit in the name of Mrs. Irene Johanna Forster, maintained with the aforesaid bank and constituting income from and accumulations on the securities described in subparagraph 3a hereof, together with any and all accruals to the aforesaid debt or other obligation, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, Irene Johanna Hohne Forster, the aforesaid national of a designated enemy country (Germany)

4. That the property described as follows:

a. All those securities (including, without limitation, bonds, coupons, mortgage participation certificates, shares of stock, scrip and warrants) maintained in an account with Central Hanover Bank and Trust Co., 70 Broadway, New York 15, New York, in the name of

Adolph Hines Hohne, account No. A9860-C, together with any and all rights thereunder and thereto, and any and all declared and unpaid dividends on any shares of stock in said account, and

b. That certain debt or other obligation of Central Hanover Bank and Trust Co., 70 Broadway, New York 15, New York, arising out of a bank deposit in the name of Adolph Hines Hohne, maintained with the aforesaid bank and constituting income from and accumulations on the securities described in subparagraph 4a hereof, together with any and all accruals to the aforesaid debt or other obligation, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, Cornelia Pauline Hohne Dette and Irene Johanna Hohne Forster, the aforesaid nationals of a designated enemy country (Germany),

and it is hereby determined:

5. That to the extent that the persons named in subparagraph 1 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on July 12, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 51-8200; Filed, July 17, 1951; 8:50 a. m.]

[Vesting Order 18159]

DEUTSCHES KALISYNDIKAT G. m. b. H.

In re: Cash owned by Deutsches Kalisyndikat G. m. b. H. F-49-504.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Deutsches Kalisyndikat G. m. b. H., the last known address of which is Berlin, Germany, is a corporation organized under the laws of Germany, and which has or, since the effective date of Executive Order 8389, as amended, has

had its principal place of business in Germany and is a national of a designated enemy country (Germany)

2. That the property described as follows: Cash in the amount of \$950,000 presently in the custody of the Attorney General of the United States, held in Collection Fund Symbol 896-027 in the United States Treasury,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany).

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on July 12, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 51-8201; Filed, July 17, 1951; 8:50 a. m.]

[Vesting Order 18153]

THOMAS MATTHIESSEN ET AL.

In re: Thomas Matthiesen vs. Walter Gelinsky, et al. File No. 017-27029.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Otto Loebner and Robert Loebner, whose last known address is Germany, are residents of Germany and nationals of a designated enemy country (Germany)

2. That the domiciliary personal representatives, heirs, next of kin, legatees and distributees, names unknown, of Otto Loebner and of Robert Loebner, who there is reasonable cause to believe are residents of Germany, are nationals of a designated enemy country (Germany)

3. That all right, title, interest and claim of any kind or character whatsoever of the persons identified in subparagraphs 1 and 2 hereof, and each of them,

in and to that certain parcel of real property, and the proceeds thereof, which is the subject matter of the partition suit entitled Thomas Matthiesen vs. Walter Gelinsky, et al. in the Circuit Court, Clackamas County, Oregon, No. 42394, and which is particularly described as follows:

"The $\frac{3}{4}$ of the NE $\frac{1}{4}$ of Sec. 18, T. 3. S. R. 5. E. of W. M." Clackamas County, Oregon.

together with all hereditaments, fixtures, improvements and appurtenances thereto, and any and all claims for rents, refunds, benefits or other payments arising from the ownership of such property, subject to recorded liens, encumbrances and other rights of record held by or for persons who are not nationals of designated enemy countries.

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid nationals of a designated enemy country (Germany)

and it is hereby determined:

4. That to the extent that the persons named in subparagraph 1 hereof and the domiciliary personal representatives, heirs, next of kin, legatees and distributees, names unknown, of Otto Loeber and of Robert Loeber, are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany)

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on July 12, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 51-8198; Filed, July 17, 1951;
8:50 a. m.]

[Vesting Order 18157]

WILHELM DWARS

In re: Securities owned by Wilhelm Dwars. F-28-31432.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Wilhelm Dwars, whose last known address is Feldstrasse 18, Brem-

erhaven 9, Germany, is a resident of Germany and a national of a designated enemy country (Germany)

2. That the property described as follows: Fifty-two (52) shares of stock of Republic Steel Corporation and one hundred and five (105) shares of stock of Texas Gulf Producing Co., on deposit with and in the custody of Brown Brothers Harriman & Co., 59 Wall Street, New York, New York, in an account entitled "Banque Populaire Suisse, Zurich, Wilhelm Dwars Identified Q 2118, Swiss & German Blocked Account" together with all declared and unpaid dividends thereon,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of, or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany),

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany)

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on July 12, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 51-8202; Filed, July 17, 1951;
8:50 a. m.]

[Vesting Order 18158]

RITA ELLINGHAUS

In re: Claim of Rita Ellinghaus to Social Security Benefits. F-28-31519.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Rita Ellinghaus, who on or since the effective date of Executive Order 8389, as amended, and on or since December 11, 1941, has been a resident of Germany, is a national of a designated enemy country (Germany)

2. That the property described as follows: Any and all rights, interest and claim of Rita Ellinghaus to survivor benefits to January 1, 1947 under the

Social Security Act approved August 14, 1935 (Pub. Law 271, 74th Cong., 1st Sess., 49 Stat. 620) arising out of the demise of her father, August Ellinghaus, Social Security reference No. 075-057546, together with any and all rights to file for, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, Rita Ellinghaus, the aforesaid national of a designated enemy country (Germany), and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany)

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on July 12, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 51-8203; Filed, July 17, 1951;
8:50 a. m.]

[Vesting Order 18159]

EUROPAISCHE TANKLAGER UND TRANSPORT
A. G.

In re: Debts owing to Europäische Tanklager und Transport A. G., also known as Eurotank and Eurotank Handelsgesellschaft also known as Eurohandel. F-28-5988-C-1, F-28-10315-C-1/2.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Europäische Tanklager und Transport, A. G., also known as Euro-tank and Eurotank Handelsgesellschaft, also known as Eurohandel, the last known addresses of which are Berlin, Germany, are corporations, partnerships, associations or other business organizations, organized under the laws of Germany, and which have or, since the effective date of Executive Order 8389, as amended, have had their principal places of business in Germany, and are nationals of a designated enemy country (Germany),

RUDOLF FALCK

No. 13E—7

States requires that such persons be treated as nationals of a designated enemy country (Germany)

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on July 12, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 51-8205; Filed, July 17, 1951;
8:50 a. m.]

[Vesting Order 18161]

HANS FISCHER

In re: Stock and bonds owned by Hans Fischer. F-28-2170-A-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Hans Fischer, whose last known address is Ubedissen, 23 B-Bielefeld, Germany is a resident of Germany and a national of a designated enemy country (Germany)

2. That the property described as follows:

a. Two (2) Innis Arden Golf Club Adjustment 3% bonds bearing the numbers 115 and 116 and of \$500 and \$80 face value, respectively, registered in the name of Hans Fischer and presently in the custody of The Chase National Bank of the City of New York, 11 Broad Street, New York 15, New York, together with any and all rights thereunder and thereto,

b. Any and all rights and interests in B. J. Baker, Inc., in Dissolution, National Rockland Bank, Boston, Massachusetts, Paying Agent, evidenced by a certificate numbered 9316, for six (6) shares of Class "A" non-voting common capital stock of said B. J. Baker, Inc., registered in the name of Hans Fischer and presently in the custody of The Chase National Bank of the City of New York, 11 Broad Street, New York 15, New York, together with all declared and unpaid dividends thereon, including particularly all liquidating dividends due or to become due on the aforesaid shares of stock,

c. Two (2) shares of \$1 par value common capital stock of Stern Brothers, 41 West 42nd Street, New York, New York, evidenced by a certificate numbered CO 134, registered in the name of Hans Fischer and presently in the custody of The Chase National Bank of the City of

New York, 11 Broad Street, New York, New York, together with all declared and unpaid dividends thereon, and

d. Thirty-seven (37) shares of capital stock of Student Camera Co., being a portion of seventy four (74) shares of capital stock of the aforesaid company, evidenced by certificates numbered 1 for five (5) shares, 3 for sixteen (16) shares, 4 for five (5) shares and 6 for forty-eight (48) shares, registered in the names of Daniel J. Tapley, Edward W. Dufft, Paul C. Tapley and Daniel J. Tapley, respectively, presently in the custody of The Chase National Bank of the City of New York, 11 Broad Street, New York 15, New York, together with all declared and unpaid dividends thereon,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by Hans Fischer, the aforesaid national of a designated enemy country (Germany),

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany)

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on July 12, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 51-8206; Filed, July 17, 1951;
8:50 a. m.]

[Vesting Order 18162]

THRASYBOULOS G. GEORGIADIS

In re: Bank account owned by Thrasyboulos G. Georgiades. F-28-31515.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Thrasyboulos G. Georgiades, whose last known address is Blumenthalstrasse 25, (17 a) Heidelberg, Baden, Germany, is a resident of Germany and a national of a designated enemy country (Germany),

2. That the property described as follows: That certain debt or other obligation owing to Thrasyboulos G. Georgiades, by Bank of New York and Fifth Avenue Bank, 481 Wall Street, New York 15, New York, arising out of a bank account, entitled Thrasyboulos G. Georgiades, with the aforesaid bank, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany),

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany)

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on July 12, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 51-8207; Filed, July 17, 1951;
8:50 a. m.]

[Vesting Order 18163]

ALICE VON HARDENBERG

In re: Securities owned by and debt owing to Alice von Hardenberg, also known as Alice Du Pasquier von Hardenberg, and as Alice Louise von Hardenberg. F-28-31079-A-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Alice von Hardenberg, also known as Alice Du Pasquier von Hardenberg, and as Alice Louise von Hardenberg, who on or since the effective date of Executive Order 8389, as amended, and on or since December 11, 1941, has been a resident of Germany, is a national of a designated enemy country (Germany),

2. That the property described as follows:

a. Three (3) Canadian Pacific Railway Co., 4 percent Perpetual J/J bonds,

issued in bearer form, numbered and in the face amounts listed below:

Bond No.	Face amount
17487-----	\$1,000.00
2049-----	100.00
2050-----	100.00

said bonds presently in the custody of Dominick & Dominick, 14 Wall Street, New York 5, New York, in an account for Messrs. Du Pasquier Montmollin & Cie., Neuchatel, Switzerland, together with any and all rights thereunder and thereto,

b. Ten (10) shares of preferred stock of American European Securities Co., 15 Exchange Place, Jersey City, New Jersey, evidenced by certificates numbered 17825/26 for five shares each, together with all declared and unpaid dividends thereon, and

c. That certain debt or other obligation of Dominick & Dominick, 14 Wall Street, New York 5, New York, arising out of funds allocable to Alice von Hardenberg and on deposit in the General Ruling No. 6 account of Messrs. Du Pasquier Montmollin & Cie., Neuchatel, Switzerland, maintained with the aforesaid Dominick & Dominick, together with any and all accruals to the aforesaid debt or other obligation, and any and all rights to demand, enforce and collect the same,

subject, however, to the rights and interests of Mrs. Anny Du Pasquier, the mother of Alice von Hardenberg, to the usufruct of the afore-described property, is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by Alice von Hardenberg, also known as Alice Du Pasquier von Hardenberg, and Alice Louise von Hardenberg, the aforesaid national of a designated enemy country (Germany)

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on July 12, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property,

[F. R. Doc. 51-8208; Filed, July 17, 1951;
8:50 a. m.]

[Vesting Order 18149]

N. V. HANDELSMAATSCHAPPIJ KONG, SMITH & CO. ET AL.

In re: Property owned by N. V. Handelsmaatschappij Kong, Smith & Co., and others.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9703, and pursuant to law, after investigation, it is hereby found:

1. That C. Melchers & Co., the last known address of which is Bremen, Germany, is a partnership organized under the laws of Germany, and which has or, since the effective date of Executive Order 8389, as amended, has had its principal place of business in Germany and is a national of a designated enemy country (Germany),

2. That Karl Lindemann and Adalbert Korff, each of whose last known address is Germany, are residents of Germany and nationals of a designated enemy country (Germany),

3. That Melchers & Co. is a partnership organized under the laws of China, whose principal place of business is located at Shanghai, China, and is or, since the effective date of Executive Order 8389, as amended, has been controlled by or acting or purporting to act directly or indirectly for the benefit or on behalf of the aforesaid Karl Lindemann, Adalbert Korff and C. Melchers & Co., and is a national of a designated enemy country (Germany),

4. That N. V. Handelsmaatschappij Kong, Smith & Co. is a corporation organized under the laws of The Netherlands, whose principal place of business is located at Rotterdam, The Netherlands, and is or, since the effective date of Executive Order 8389, as amended, has been controlled by or acting or purporting to act directly or indirectly for the benefit or on behalf of the aforesaid C. Melchers & Co., Karl Lindemann, Adalbert Korff and Melchers & Co., and is a national of a designated enemy country (Germany)

5. That the property described as follows:

a. That certain debt or other obligation owing to N. V. Handelsmaatschappij Kong, Smith & Co. by Irving Trust Company, One Wall Street, New York, New York, arising out of a Checking Account entitled N. V. Handelsmaatschappij Kong, Smith & Co., maintained at said Irving Trust Company, and any and all rights to demand, enforce and collect the same, and

b. Those certain debts or other obligations owing to N. V. Handelsmaatschappij Kong, Smith & Co. by Melchers, Inc., 56 Beaver Street, New York, New York, in the amounts of \$64,000 and \$4,570 as of December 31, 1945, designated on the books and records of said Melchers, Inc. as a loan account and a current account, respectively, together with any and all accruals thereto, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on ac-

count of, or owing to, or which is evidence of ownership or control by N. V. Handelsmaatschappij Kong, Smith & Co., the aforesaid national of a designated enemy country (Germany)

6. That the property described as follows: Four hundred (400) shares of no par value preferred stock of Melchers, Inc., 56 Beaver Street, New York 4, New York, a corporation organized under the laws of the State of New York, evidenced by Certificate Number B 1, presently in the custody of Thomas McErlean, 233 Broadway, New York, New York, together with all declared and unpaid dividends thereon,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by C. Melchers & Co., and/or Melchers & Co., the aforesaid nationals of a designated enemy country (Germany)

7. That the property described as follows: Those certain debts or other obligations of Theodore Fitz Randolph, New York, New York, in the amounts of \$40,000 and \$35,000 as of June 1, 1940 evidenced by promissory notes in the respective principal amounts of \$40,000 and \$35,000, dated June 1, 1940 issued by the aforesaid Theodore Fitz Randolph, payable to the order of Dr. F. W. Bilfinger with interest at 3% per annum, and any and all rights to demand, enforce and collect the aforesaid debts or other obligations and any and all accruals thereto, together with any and all rights in, to and under the aforesaid notes,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by Melchers & Co., the aforesaid national of a designated enemy country (Germany),

and it is hereby determined:

8. That Melchers & Co. and N. V. Handelsmaatschappij Kong, Smith & Co. are controlled by or acting for or on behalf of a designated enemy country (Germany) or persons within such country and are nationals of a designated enemy country (Germany),

9. That to the extent that the persons named in subparagraphs 1, 2, 3, and 4 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall

have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on July 9, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director Office of Alien Property.

[F. R. Doc. 51-8111; Filed, July 13, 1951;
8:52 a. m.]

[Vesting Order 18145]

NORDSTERN ALLGEMEINE VERSICHERUNGS
A. G.

In re: Debts owing to Nordstern Allgemeine Versicherungs A. G. also known as Nordstern Lebensversicherungs-Aktiengesellschaft. F-28-8183.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Nordstern Allgemeine Versicherungs A. G. also known as Nordstern Lebensversicherungs-Aktiengesellschaft, the last known address of which is 2 Fehrbelliner Platz, Berlin-Wilmersdorf, Germany, is a corporation, partnership, association or other business organization, organized under the laws of Germany and which has or, since the effective date of Executive Order 9389, as amended, has had its principal place of business in Berlin, Germany and is a national of a designated enemy country (Germany).

2. That the property described as follows:

a. Those certain debts or other obligations, matured or unmatured, evidenced by seventeen (17) Union Pacific Railroad Co. First Mortgage Railroad & Land Grant 4% Bonds, said bonds issued in bearer form, numbered and in the face amounts listed below:

Bond No.	Amount
M 1079	\$1,000
3409	1,000
7030	1,000
7031	1,000
21158	1,000
21159	1,000
23128	1,000
51901	1,000
57435	1,000
84655	1,000
86958	1,000
87150	1,000
88834	1,000
D-1585	500
5855	500
6860	500
6697	500
7811	500
10441	500
10661	500
16779	500
16780	500

together with any and all accruals to the aforesaid debts or other obligations, and any and all rights to demand, enforce and collect the same, and any and all rights in, to and under the aforesaid bonds, and

b. Those certain debts or other obligations, matured or unmatured, evidenced by eleven (11) Louisville and Nashville Railroad Company First and Refunding Mortgage 4½% Bonds, Series C, said bonds numbered and in the face amounts listed below:

Bond No.	Amount
M 941	\$1,000
M 942	1,000
M 943	1,000
M 8703	1,000
M 13209	1,000
M 18939	1,000
M 23030	1,000
M 23178	1,000
M 23179	1,000
M 23509	1,000
M 26994	1,000

together with any and all accruals to the aforesaid debts or other obligations, and any and all rights to demand, enforce and collect the same, and any and all rights in, to and under the aforesaid bonds,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, Nordstern Allgemeine Versicherungs A. G. also known as Nordstern Lebensversicherungs-Aktiengesellschaft, the aforesaid national of a designated enemy country (Germany)

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany)

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on July 9, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director Office of Alien Property.

[F. R. Doc. 51-8110; Filed, July 13, 1951;
8:52 a. m.]

[Vesting Order 18164]

EMMY JAEGER

In re: Debt owing to and stock owned by Emmy Jaeger. F-63-10307-A-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Emmy Jaeger, whose last known address is Mannheim, Germany, is a resident of Germany and a national of a designated enemy country (Germany)

2. That the property described as follows:

a. One hundred and fifty (150) shares of no par value capital stock of the New York Central Railroad Company evidenced by certificates numbered L174505, L192044 and L193313 for fifty shares each, registered in the name of Ince & Co. and presently in the custody of Guaranty Trust Company of New York, 140 Broadway, New York 15, New York, in an account in the name of Treuhand-Und Revisionsgesellschaft, Zurich, Switzerland, together with all declared and unpaid dividends thereon,

b. That certain debt or other obligation of Guaranty Trust Company of New York, 140 Broadway, New York 15, New York, in the amount of \$420 as of January 31, 1951, being a portion of a blocked account numbered XC 21402 maintained by said Guaranty Trust Company of New York in the name of Treuhand-Und Revisionsgesellschaft, Zurich, Switzerland, together with any and all accruals thereto representing the receipt on and after January 31, 1951, of dividends on the shares of stock described in subparagraph 2-a hereof, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany),

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such a person be treated as a national of a designated enemy country (Germany)

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on July 12, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director Office of Alien Property.

[F. R. Doc. 51-8209; Filed, July 17, 1951;
8:50 a. m.]

[Vesting Order 18165]

ERNST KAERGER ET AL.

In re: Bonds owned by Ernst Kaerger and others. F-28-31499.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Ernst Kaerger, Margarete Kaerger and Johann Christoph Kaerger, each of whose last known address is Kiel, Germany, are residents of Germany and nationals of a designated enemy country (Germany)

2. That the property described as follows: Three (3) Baltimore and Ohio Railroad Company, Refunding and General 5 percent Mortgage Series D Bearer Bonds, due March 1, 2000, of \$1,000.00 face value each, bearing the numbers M 7012, M 7013 and M 10611, presently in the custody of Brown Brothers Harri-man & Co., 55 Wall Street, New York 5, New York, in an account entitled "Ban-que Populaire Suisse, Zurich" together with any and all rights thereunder and thereto,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, Ernst Kaerger, Margarete Kaerger and Johann Christoph Kaerger, the aforesaid nationals of a designated enemy country (Germany)

and it is hereby determined:

3. That to the extent that the persons named in subparagraph 1 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany)

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on July 12, 1951.

For the Attorney General,

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 51-8210; Filed, July 17, 1951; 8:50 a. m.]

[Vesting Order 18166]

ERNEST KRAMER

In re: Stock owned by Ernest Kramer. F-28-31511.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Ernest Kramer, whose last known address is Germany, is a resident of Germany and a national of a designated enemy country (Germany),

2. That the property described as follows: Two hundred forty-five (245) shares of no par value common capital stock of Commonwealth & Southern Corporation, 902 Market Street, Wilmington, Delaware, a corporation organized under the laws of the State of Delaware, evidenced by certificates numbered 216125, 148642, C 351876 and C 394381, registered in the name of Ernest Kramer, and presently in the custody of Anna Kramer, Maple Ave. So., Southport, Connecticut, together with all declared and unpaid dividends thereon, and any and all rights under a plan of dissolution of October 1, 1949 of the aforesaid corporation,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany),

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on July 12, 1951.

For the Attorney General,

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 51-8211; Filed, July 17, 1951; 8:51 a. m.]

[Vesting Order 18167]

PAUL KREISEL

In re: Claim of Paul Kreisel. F-28-31510.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Paul Kreisel, whose last known address is Glatz-Schlesien, Germany, is a resident of Germany and a national of a designated enemy country (Germany),

2. That the property described as follows: Any and all rights, interest or claim of Paul Kreisel to benefits under the Civil Service Retirement Act, approved May 22, 1920 (Public Law 215, 66th Cong., 2d Sess., 41 Stat. 614), as the designated beneficiary of Frank J. Kreisel, deceased, in an amount of \$2,100.00 due from the Civil Service Retirement Fund, and any and all rights to demand, enforce and collect the same.

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of, or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany),

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on July 12, 1951.

For the Attorney General,

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 51-8212; Filed, July 17, 1951; 8:51 a. m.]

[Vesting Order 18163]

F. W. MAAS

In re: Bond owned by the personal representatives, heirs, next of kin, legatees and distributees of F. W. Maas, also known as Friedrich Wilhelm Maas, deceased. F-28-23499-D-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That the personal representatives, heirs, next of kin, legatees and distributees of F. W. Maas, also known as Friedrich Wilhelm Maas, deceased, who there is reasonable cause to believe, are residents of Germany, are nationals of a designated enemy country (Germany),

2. That the property described as follows: That certain debt or other obligation evidenced by one (1) St. Louis-San Francisco Railway Company 4 percent Prior Lien, Series "A" Mortgage Bond of \$250.00 face value, bearing the number Y-7920, and any and all rights to demand, enforce and collect, the aforesaid debt or other obligation, together with any and all rights in, to and under said bond, including particularly the right to receive new securities of the St. Louis-San Francisco Railway Company, under a plan of reorganization of the aforesaid company, dated January 1, 1947,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the personal representatives, heirs, next of kin, legatees and distributees of F. W. Maas, also known as Friedrich Wilhelm Maas, deceased, the aforesaid nationals of a designated enemy country (Germany),

and it is hereby determined:

3. That to the extent that the personal representatives, heirs, next of kin, legatees and distributees of F. W. Maas, also known as Friedrich Wilhelm Maas, deceased, are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany)

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on July 12, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 51-8213; Filed, July 17, 1951;
8:51 a. m.]

[Vesting Order 18169]

BERENT NILSEN

In re: Debt owing to Berent Nilsen, also known as H. B. Nilsen and as Harald Berent Nilsen. F-28-30892.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Berent Nilsen, also known as H. B. Nilsen and as Harald Berent Nilsen, whose last known address is Andreasstrasse 15, Hamburg, Germany, is a resi-

dent of Germany and a national of a designated enemy country (Germany)

2. That the property described as follows: That certain debt or other obligation of Joseph Walker & Sons, 120 Broadway, New York 5, New York, arising out of accumulations and income on ten (10) shares of stock of Tidewater Associated Oil Company evidenced by certificate numbered BNCX 3489, including any accumulated dividends on the aforesaid shares from December 1, 1948, to September 1, 1950, inclusive, together with any and all accruals to the aforesaid debt or other obligation and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, Berent Nilsen, also known as B. H. Nilsen and as Harald Berent Nilsen, the aforesaid national of a designated enemy country (Germany)

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany)

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on July 12, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 51-8214; Filed, July 17, 1951;
8:51 a. m.]

[Vesting Order 18170]

SUOMEN PETROOLI O/Y

In re: Debt owing to Suomen Petrooli O/Y. F-28-29154.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Europaische Tanklager und Transport A. G. also known as Eurotank, the last known address of which is Berlin, Germany, is a corporation organized under the laws of Germany, and which has or, since the effective date of Executive Order 8389, as amended, has had

its principal place of business in Germany and is a national of a designated enemy country (Germany),

2. That Suomen Petrooli O/Y, is a corporation organized under the laws of Finland, whose principal place of business is located at Helsingfors, Finland and is or, since the effective date of Executive Order 8389, as amended, has been owned or controlled by or acting or purporting to act directly or indirectly for the benefit of or on behalf of the aforesaid Europaische Tanklager und Transport A. G. also known as Eurotank, and is a national of a designated enemy country (Germany),

3. That the property described as follows: That certain debt or other obligation owing to Suomen Petrooli O/Y by Davis & Company, Incorporated, 2109 Commerce Building, Houston 2, Texas, in the amount of \$7,232.25 as of June 14, 1941, together with any and all accruals thereto, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by Suomen Petrooli O/Y, the aforesaid national of a designated enemy country (Germany),

and it is hereby determined:

4. That Suomen Petrooli O/Y is owned or controlled by or acting for or on behalf of a designated enemy country (Germany) or persons within such country and is a national of a designated enemy country (Germany), and

5. That to the extent that the persons named in subparagraphs 1 and 2 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany)

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on July 12, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 51-8215; Filed, July 17, 1951;
8:51 a. m.]

[Vesting Order 18171]

BERNHARDINE ANNA RADEKER

In re: Claim of Bernhardine Anna Radeker to Railroad Retirement Benefits,

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Bernhardine Anna Radeker, whose last known address is Bippen, Kreis Bersenbrueck, Germany, is a resident of Germany and a national of a designated enemy country (Germany),

2. That the property described as follows: Any and all rights, interests and claims of Bernhardine Anna Radeker to survivor benefits to January 1, 1947, under the Railroad Retirement Act of 1935, as amended (Public Law 399, 74th Cong., 1st Sess., 49 Stat. 967) arising out of the demise of her son, Ernest Radeker, Railroad Retirement Board reference No. D106357, together with any and all rights to file for, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by Bernhardine Anna Radeker the aforesaid national of a designated enemy country (Germany)

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany)

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on July 12, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director Office of Alien Property.

[F. R. Doc. 51-8216; Filed, July 17, 1951;
8:51 a. m.]

[Vesting Order 18172]

EMMY RENN

In re: Debts owing to the personal representatives, heirs, next of kin, legatees and distributees of Emmy Renn, deceased. F-28-5820; A-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That the personal representatives, heirs, next of kin, legatees and distributees of Emmy Renn, who there is reasonable cause to believe are residents of Germany, are nationals of a designated enemy country (Germany),

2. That the property described as follows:

a. That certain debt or other obligation of Green, Ellis & Anderson, 61 Broadway, New York 6, New York, arising out of a depository account entitled "Emmy Renn" maintained with the aforesaid Green, Ellis & Anderson, and any and all rights to demand, enforce and collect the same, and

b. That certain debt or other obligation of Manufacturers Trust Company, 451 Beaver Street, New York 15, New York, arising out of funds allocated to a mortgage participation certificate, Certificate Number 111503, issued by the Mortgage Corporation of New York (now Manufacturers Trust Company), to Emmy Renn, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the personal representatives, heirs, next of kin, legatees and distributees of Emmy Renn, deceased, the aforesaid nationals of a designated enemy country (Germany),

and it is hereby determined:

3. That to the extent that the personal representatives, heirs, next of kin, legatees and distributees of Emmy Renn, deceased, are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on July 12, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director Office of Alien Property.

[F. R. Doc. 51-8217; Filed, July 17, 1951;
8:51 a. m.]

[Vesting Order 18174]

HERMANN SCHMITZ AND/OR I. G.
FARBENINDUSTRIE A. G.

In re: Debt or other obligation owing to Hermann Schmitz and/or I. G. Farbenindustrie A. G., D-28-1425.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Hermann Schmitz, whose last known address is Germany, is a resident of Germany and a national of a designated enemy country (Germany)

2. That I. G. Farbenindustrie A. G., the last known address of which is Frankfurt, Germany, is a corporation organized under the laws of Germany, and which has or, since the effective date of Executive Order 8389, as amended, has had its principal place of business in Frankfurt, Germany and is a national of a designated enemy country (Germany),

3. That the property described as follows: That certain debt or other obligation owing to Hermann Schmitz and/or I. G. Farbenindustrie A. G. by Dietrich A. Schmitz, Greenwich, Connecticut, in the amount of \$410,816.11, arising out of the receipt by Dietrich A. Schmitz of said sum from the sale to General Dyestuff Corporation, New York, New York, on or about August 1, 1939, of 4100 shares of issued and outstanding common stock of said General Dyestuff Corporation theretofore held by Dietrich A. Schmitz for and on behalf of Hermann Schmitz and/or I. G. Farbenindustrie A. G., together with any and all accruals to the aforesaid debt or other obligation and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany),

and it is hereby determined:

4. That to the extent that the persons named in subparagraphs 1 and 2 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany)

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on July 12, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director Office of Alien Property.

[F. R. Doc. 51-8219; Filed, July 17, 1951;
8:51 a. m.]

[Vesting Order 18175]

BERTHA SCHWARZ

In re: Stock owned by Bertha Schwarz. F-28-30882-A-1, D-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Bertha Schwarz, whose last known address is Geraerstrasse 95, Zena Burgan, Germany, is a resident of Germany and a national of a designated enemy country (Germany)

2. That the property described as follows:

a. Ten (10) shares of \$50.00 par value capital stock of Anaconda Copper Mining Company, 25 Broadway, New York, New York, a corporation organized under the laws of the State of Montana, evidenced by a certificate numbered E317447, registered in the name of Miss Bertha Schwarz, and presently in the custody of Paul Rohland, 109-14 196th Street, Hollis, Long Island, New York, together with all declared and unpaid dividends thereon;

b. One hundred (100) shares of \$0.10 par value common capital stock of The American Superpower Corporation, 30 Broad Street, New York, New York, a corporation organized under the laws of the State of Delaware, evidenced by a certificate numbered C 298941, registered in the name of Bertha Schwarz, and presently in the custody of Paul Rohland, 109-14 196th Street, Hollis, Long Island, New York, together with all declared and unpaid dividends thereon;

c. Thirty (30) shares of \$1.00 par value capital stock of Knott Corporation, Inc., 439 Madison Avenue, New York, New York, a corporation organized under the laws of the State of Delaware, evidenced by a certificate numbered 3646, registered in the name of Miss Bertha Schwarz, and presently in the custody of Paul Rohland, 109-14 196th Street, Hollis, Long Island, New York, together with all declared and unpaid dividends thereon;

d. Two (2) shares of common capital stock of Tri-Continental Corporation, 65 Broadway New York, New York, evidenced by a temporary certificate numbered TNCO 35804, for forty shares of \$1.00 par value common capital stock of The Selected Industries, Incorporated, registered in the name of Bertha Schwarz, together with any and all declared and unpaid dividends thereon, and all rights to receive new certificates and purchase warrants for new shares of Tri-Continental Corp, common capital stock; and

e. One hundred (100) shares of \$1.00 par value Class "B" common capital stock of Missouri Kansas Pipe Line Co., 110 West 10th Street, Wilmington, Delaware, a corporation organized under the laws of the State of Delaware, evidenced by a certificate numbered NJB 772, registered in the name of Miss Bertha Schwarz, and presently in the custody of Paul Rohland, 109-14 196th Street, Hollis, Long Island, New York, together with all declared and unpaid dividends thereon,

is property within the United States owned or controlled by, payable or de-

liverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany),

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany)

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on July 12, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director Office of Alien Property.

[F. R. Doc. 51-8220; Filed, July 17, 1951;
8:51 a. m.]

[Vesting Order 18173]

OTTILIE RITZ ET AL.

In re: Debts owing to Ottilie Ritz, Louis Alfred Ritz, Senior and Anna Ritz Heidingsfeld. F-28-30759.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Ottilie Ritz, Louis Alfred Ritz, Senior and Anna Ritz Heidingsfeld, each of whose last known address is Germany, are residents of Germany and nationals of a designated enemy country (Germany)

2. That the property described as follows:

a. That certain debt or other obligation owing to Ottilie Ritz by Louis A. Ritz, Jr., West Brentwood, Long Island, New York, arising out of advances made to Louis A. Ritz, Jr., by said Ottilie Ritz, together with any and all accruals thereto and any and all rights to demand, enforce and collect the same, and

b. That certain debt or other obligation owing to Louis Alfred Ritz, Senior, Ottilie Ritz and Anna Ritz Heidingsfeld by Louis A. Ritz, Jr., West Brentwood, Long Island, New York, arising out of their portions of the proceeds of sale by Louis A. Ritz, Jr., of four hundred sixteen (416) shares of common capital stock of Vavoline Oil Company, Cincinnati, Ohio, together with any and all accruals thereto and any and all rights to demand, enforce and collect the same,

is property within the United States, owned or controlled by payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid nationals of a designated enemy country (Germany),

and it is hereby determined:

3. That to the extent that the persons named in subparagraph 1 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany)

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest.

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on July 12, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director Office of Alien Property.

[F. R. Doc. 51-8218; Filed, July 17, 1951;
8:51 a. m.]

[Return Order 1016]

SOCIETE AUXILIAIRE D'INDUSTRIE

Having considered the claim set forth below and having issued a determination allowing the claim, which is incorporated by reference herein and filed herewith,

It is ordered, That the claimed property, described below and in the determination, including all royalties accrued thereunder and all damages and profits recoverable for past infringement thereof, be returned after adequate provision for taxes and conservatory expenses:

Claimant, Claim No., Notice of Intention To Return Published, and Property

Societe Auxiliaire d'Industrie SADI—S. P. R. L., Forest, Belgium; Claim No. 37310; May 29, 1951 (16 F. R. 5033); property described in Vesting Order No. 292 (7 F. R. 9836, November 26, 1942) relating to United States Patent Application Serial No. 382,419 (now United States Letters Patent No. 2,325,503). This return shall not be deemed to include the rights of any licensees under the above patent.

Appropriate documents and papers effectuating this order will issue.

Executed at Washington, D. C., on July 9, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director Office of Alien Property.

[F. R. Doc. 51-8225; Filed, July 17, 1951;
8:52 a. m.]